

Hearing Date and Time: January 5, 2022 at 10:00 a.m. (Prevailing Eastern Time)
Objection Date and Time: December 31, 2021 at 12:00 p.m. (Prevailing Eastern Time)

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**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)

**NOTICE OF HEARING ON DEBTORS' MOTION FOR ENTRY OF AN ORDER
AUTHORIZING DEBTOR AEROLITORAL, S.A. DE C.V. TO ENTER INTO
LEASE AMENDMENTS WITH TRUENOORD NAZAS LIMITED**

PLEASE TAKE NOTICE that, on December 22, 2021, the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) filed the *Debtors’ Motion for Entry of an Order Authorizing Debtor Aerolitoral, S.A. de C.V. To Enter Lease Amendments with TrueNoord Nazas Limited* (the “**Motion**”). A hearing on the Motion is scheduled to be held on **January 5, 2022 at 10:00 a.m. (prevailing Eastern Time)** (the “**Hearing**”) before the Honorable Judge

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.

Shelley C. Chapman, United States Bankruptcy Judge, in the United States Bankruptcy Court for the Southern District of New York (the “**Court**”), or at such other time as the Court may determine.

PLEASE TAKE FURTHER NOTICE that, in accordance with General Order M-543, dated March 20, 2020 (Morris, C.J.) (“**General Order M-543**”),² the Hearing will be conducted telephonically. Any parties wishing to participate must do so telephonically by making arrangements through CourtSolutions, LLC (www.court-solutions.com). Instructions to register for CourtSolutions, LLC are attached to General Order M-543.

PLEASE TAKE FURTHER NOTICE that copies of the Motion may be obtained free of charge by visiting the website of Epiq Corporate Restructuring, LLC at <https://dm.epiq11.com/aeromexico>. You may also obtain copies of any pleadings by visiting the Court’s website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

PLEASE TAKE FURTHER NOTICE that the Hearing may be continued or adjourned from time to time by an announcement of the adjourned date or dates at the Hearing or a later hearing or by filing a notice with the Court. The Debtors will file an agenda before the Hearing, which may modify or supplement the motion(s) to be heard at the Hearing.

PLEASE TAKE FURTHER NOTICE that any responses or objections to the Motion shall be in writing, shall comply with the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, shall be filed with the Court

² A copy of the General Order M-543 can be obtained by visiting <http://www.nysb.uscourts.gov/news/general-order-m-543-court-operations-under-exigent-circumstances-created-covid-19>.

by (a) attorneys practicing in the Court, including attorneys admitted *pro hac vice*, electronically in accordance with General Order M-399 (which can be found at www.nysb.uscourts.gov) and (b) all other parties in interest, in accordance with the customary practices of the Court and General Order M-399, to the extent applicable, and shall be served in accordance with General Order M-399 and the *Order Establishing Certain Notice, Case Management, and Administrative Procedures*, entered on July 8, 2020 [ECF No. 79], so as to be filed and received no later than **December 31, 2021 at 12:00 p.m. (prevailing Eastern Time)** (the “**Objection Deadline**”).

PLEASE TAKE FURTHER NOTICE that all objecting parties are required to telephonically attend the Hearing, and failure to appear may result in relief being granted upon default.

PLEASE TAKE FURTHER NOTICE that, if no responses or objections are timely filed and served with respect to the Motion, the Debtors may, on or after the Objection Deadline, submit to the Court an order substantially in the form of the proposed order attached to the Motion, under certification of counsel or certification of no objection, which order may be entered by the Court without further notice or opportunity to be heard.

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Dated: December 22, 2021
New York, New York

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**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)**

**DEBTORS' MOTION FOR ENTRY OF AN ORDER AUTHORIZING
DEBTOR AEROLITORAL, S.A. DE C.V. TO ENTER INTO
LEASE AMENDMENTS WITH TRUENOORD NAZAS LIMITED**

Grupo Aeroméxico, S.A.B. de C.V. (“**Grupo Aeroméxico**”) and certain of its affiliates (collectively, the “**Debtors**”), each of which is a debtor and debtor in possession in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), hereby file this motion (this “**Motion**”) seeking the entry of an order authorizing, but not directing, Debtor Aerolitoral, S.A. de C.V. (the “**Debtor Lessee**”) to enter into lease amendments (the “**Lease Amendments**”) on terms substantially consistent with those set forth in the form of lease amendment attached to the

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.

Proposed Order as Exhibit 1 (the “**Form Amendment**”).² This Motion is supported by the *Declaration of Matthew Landess in Support of Debtors’ Motion for Entry of an Order Authorizing Debtor Aerolitoral, S.A. de C.V. To Enter into Lease Amendments with TrueNoord Nazas Limited* (the “**Landess Declaration**”) attached hereto as Exhibit B and incorporated herein by reference. In further support of this Motion, the Debtors respectfully state as follows:

Jurisdiction and Venue

1. The United States Bankruptcy Court for the Southern District of New York (the “**Court**”) has jurisdiction over this Motion 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.). This is a core proceeding pursuant to 28 U.S.C. § 157(b). In addition, the Debtors confirm their consent, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter a final order or judgment in connection herewith consistent with Article III of the United States Constitution.

2. Venue of the Chapter 11 Cases and related proceedings is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

² On October 28, 2021, the Court entered the *Order Authorizing the Debtors To Redact Commercially Sensitive Information* (the “**Sealing Order**”) [ECF No. 2003] in connection with the First TrueNoord Motion (as defined herein), which authorized the Debtors to (a) file redacted versions of the Exhibits (as defined therein) on the public docket of the Chapter 11 Cases and (b) submit under seal unredacted versions of the Exhibits to the Clerk of the Court and certain parties. Since the Form Amendment attached to the Proposed Order hereto contains redactions identical to those authorized by the Court in the Sealing Order, the Debtors respectfully submit that the Sealing Order covers this Motion and its exhibits as well and, therefore, the Debtors are authorized to file the Form Amendment on the public docket of the Chapter 11 Cases with the commercially sensitive information redacted. In accordance with paragraphs 2 and 3 of the Sealing Order, the Debtors will provided an unredacted version of the Form Amendment to the Clerk of the Court, the U.S. Trustee, and the respective advisors to the Committee, the DIP Lenders, the Ad Hoc Group of Senior Noteholders, and the Ad Hoc Group of Unsecured Claimholders (each as defined herein) on a “Professionals Eyes Only” basis, all subject to the terms of the Sealing Order.

Relief Requested

3. By this Motion, and pursuant to sections 363(b) and 105(a) of chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) and Bankruptcy Rules 6004 and 9013, the Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**” and, if entered, the “**Order**”), authorizing (but not directing) the Debtor Lessee to enter into the Lease Amendments on terms substantially consistent with those set forth in the Form Amendment, as further detailed herein and in the Proposed Order.

Background

A. General Background

4. On June 30, 2020 (the “**Petition Date**”), each of the Debtors filed in this Court voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors have continued to operate and manage their businesses and have continued to possess their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. The Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b) and the *Order Directing Joint Administration of Chapter 11 Cases* [ECF No. 30] entered by the Court on July 1, 2020 in Grupo Aeroméxico’s Chapter 11 Case.³

6. On July 13, 2020, the Office of the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”) appointed an Official Committee of Unsecured Creditors (the “**Committee**”) pursuant to section 1102 of the Bankruptcy Code. *See Notice of Appointment of*

³ On July 2, 2020, the Court entered similar orders for the other Debtors on their respective case dockets. *See In re Aerovías de México, S.A. de C.V.*, No. 20-11561, ECF No. 4; *In re Aerolitoral, S.A. de C.V.*, No. 20-11565, ECF No. 4; *In re Aerovías Empresa de Cargo, S.A. de C.V.*, No. 20-11566, ECF No. 4.

Official Committee of Unsecured Creditors [ECF No. 92]. No trustee or examiner has been appointed in the Chapter 11 Cases.

7. Detailed information regarding the Debtors' businesses and affairs, capital structure, and the circumstances leading to the commencement of the Chapter 11 Cases can be found in the *Declaration of Ricardo Javier Sánchez Baker in Support of the Debtors' Chapter 11 Petitions and First Day Pleadings* [ECF No. 20], which is incorporated herein by reference.

B. The Lease Amendments

8. On October 13, 2021, the Debtors filed the *Debtors' Motion for Entry of an Order (I) Authorizing Debtor Aerolitoral, S.A. de C.V. To Assume (On an Amended Basis) Certain Lease Agreements and (II) Approving the Claims Settlement with TrueNoord Nazas Limited* (the "**First TrueNoord Motion**") [ECF No. 1874],⁴ pursuant to which the Debtors sought the Court's approval to assume the Aircraft Leases on an amended basis and enter into the Claims Settlement, as more fully detailed in the First TrueNoord Motion and the declaration filed in support thereof [ECF No. 1876], each of which are incorporated herein by reference. On October 28, 2021, the Court entered an order granting the First TrueNoord Motion (the "**TrueNoord Order**") [ECF No. 2004].

9. Shortly thereafter, the Debtor Lessee and the Lessor negotiated in good faith certain amendments to the Amended Aircraft Leases. The terms of such amendments shall be memorialized in the Lease Amendments and will be on terms substantially consistent with those set forth in the Form Amendment. By agreeing to assume the Aircraft Leases on an amended basis, as amended by the Amended Aircraft Leases and as further amended by the Lease

⁴ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the First TrueNoord Motion.

Amendments, the Debtors have achieved certainty in maintaining the Aircraft in their fleet on terms that fit the Debtors' short- and long-term needs and with improved economics and terms and conditions as compared to the original Aircraft Leases.

10. In determining to enter into the Lease Amendments, the Debtors and their advisors consulted with the respective advisors to the Committee, Apollo Management Holdings, L.P. (on behalf of one or more affiliates and/or funds or separate accounts managed by it and its affiliates (such lenders collectively, the "**DIP Lenders**")), the Ad Hoc Group of Senior Noteholders,⁵ and the Ad Hoc Group of Unsecured Claimholders,⁶ none of which expressed opposition to the relief requested herein.

Basis for Relief

11. The Debtors believe that the TrueNoord Order authorizes the Debtor Lessee to enter the Lease Amendments. *See* TrueNoord Order, ¶¶ 2, 4. Nevertheless, out of an abundance of caution (and to the extent that further authorization is required) the Debtors seek entry of an order authorizing the Debtor Lessee to enter into the Lease Amendments.

12. Section 363(b)(1) of the Bankruptcy Code empowers a court to allow a debtor to "use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). A debtor's decision to use, sell, or lease assets outside the ordinary course of business must be based upon the sound business judgment of the debtor. *See Official Comm. of Unsecured Creditors of LTV Aerospace and Defense Co. v. LTV Corp. (In re Chateaugay Corp.)*,

⁵ As used in this Motion, "Ad Hoc Group of Senior Noteholders" refers to the group identified in the *Third Amended Verified Statement of the Ad Hoc Group of Senior Noteholders Pursuant to Bankruptcy Rule 2019* [ECF No. 1731].

⁶ As used in this Motion, "Ad Hoc Group of Unsecured Claimholders" refers to the group identified in the *Second Amended Verified Statement of the Ad Hoc Group of Unsecured Claimholders Pursuant to Bankruptcy Rule 2019* [ECF No. 2244].

973 F.2d 141, 143 (2d Cir. 1992) (holding that “a judge determining a § 363(b) application [must] expressly find from the evidence presented before him . . . a good business reason to grant such an application”); *see also Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983) (same); *In re Glob. Crossing Ltd.*, 295 B.R. 726, 743 (Bankr. S.D.N.Y. 2003); *In re Ionosphere Clubs, Inc.*, 100 B.R. 670, 674 (Bankr. S.D.N.Y. 1989) (noting that the standard for determining a motion under section 363(b) of the Bankruptcy Code is “good business reason”).

13. The business judgment rule is satisfied “when the following elements are present: (1) a business decision, (2) disinterestedness, (3) due care, (4) good faith, and (5) according to some courts and commentators, no abuse of discretion or waste of corporate assets.” *Official Comm. of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.)*, 147 B.R. 650, 656 (S.D.N.Y. 1992), *appeal dismissed*, 3 F.3d 49 (2d Cir. 1993) (internal quotations omitted). In fact, “[w]here the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s conduct.” *Comm. of Asbestos-Related Litigants and/or Creditors v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986); *see also In re Integrated Res., Inc.*, 147 B.R. at 656 (holding that a party opposing a debtor’s exercise of its business judgment has the burden of rebutting the presumption of validity). Indeed, courts in this district have consistently and appropriately been loath to interfere with corporate decisions absent a showing of bad faith, self-interest, or gross negligence and will uphold a board’s decisions as long as they are attributable to any “rational business purpose.” *Id.*

14. Moreover, section 105(a) of the Bankruptcy Code confers the Court with broad equitable powers to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a).

15. The Debtors respectfully submit that the relief requested herein is fair, equitable, reasonable, the product of the Debtors exercising their sound business judgment, and in the best interests of the Debtors’ estates and, thus, is justified under sections 363(b) and 105(a) of the Bankruptcy Code. As described above, in the First TrueNoord Motion, and in the Landess Declaration, the Debtors are seeking to reset their fleet and attendant costs to a market level. As part of this process, the Debtors are evaluating their fleet of aircraft and equipment, reviewing the relevant underlying leases and agreements, and, to the extent prudent, negotiating amendments to such leases and agreements for aircraft and equipment that the Debtors desire to maintain. In doing so, the Debtors compared the original Aircraft Leases and the Aircraft to available alternatives and ultimately negotiated (at arm’s length, in good faith, and in consultation with their key stakeholders) new economically favorable terms, as memorialized in the form of the Amended Aircraft Leases and the Form Amendment, that are in line with the Debtors’ long-term business plan. In addition to the improved costs and better terms and conditions as compared to the original Aircraft Leases, the Amended Aircraft Leases (as amended by the Lease Amendments) also will create operational flexibility for the Debtors, as they will allow the Debtors to retain and operate two existing aircraft in their fleet and would position the Debtors to potentially reject other aircraft or equipment that are not as attractive for the long-term fleet. Finally, the Debtors have determined (based on the exercise of their sound business judgment) that the terms of the Lease Amendments represent the best available

transactions under the circumstances (*i.e.*, the Chapter 11 Cases), but also would be commercially beneficial transactions irrespective of such circumstances.

16. In light of the foregoing, and for the reasons provided above and detailed in the Landess Declaration, the Debtors respectfully submit that the entry into the Lease Amendments, on terms substantially consistent with those set forth in the Form Amendment, (a) would be the result of the Debtors exercising their sound business judgment in accordance with their fiduciary duties, (b) would be in the best interests of their estates and economic stakeholders, and (c) would further serve to maximize value for the benefit of all creditors. Accordingly, the Debtors respectfully request that the Court authorize, but not direct, the Debtor Lessee to enter into the Lease Amendments.

Notice

17. Notice of this Motion will be provided to the following parties: (a) the entities on the Master Service List (as defined in the *Order Establishing Certain Notice, Case Management, and Administrative Procedures* [ECF No. 79], which is available on the Debtors' case website at <https://dm.epiq11.com/case/aeromexico/info>); (b) the U.S. Trustee; (c) counsel to the Committee; (d) counsel to Apollo Management Holdings, L.P.; (e) counsel to the Ad Hoc Group of Senior Noteholders; and (f) any person or entity with a particularized interest in the subject matter of this Motion. The Debtors respectfully submit that no other or further notice is required.

No Prior Request

18. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

[Remainder of page intentionally left blank]

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as the Court deems just and proper.

Dated: December 22, 2021
New York, New York

DAVIS POLK & WARDWELL LLP

By: /s/ Timothy Graulich

450 Lexington Avenue
New York, New York 10017
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*Counsel to the Debtors
and Debtors in Possession*

Exhibit A

Proposed Order

**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 AUTHORIZING DEBTOR AEROLITORAL, S.A. DE C.V. TO
ENTER INTO LEASE AMENDMENTS WITH TRUENOORD NAZAS LIMITED**

Upon the motion (the “**Motion**”)² of the Debtors for entry of an order (this “**Order**”) authorizing, but not directing, Debtor Aerolitoral, S.A. de C.V. (the “**Debtor Lessee**”) to enter into the Lease Amendments, on terms substantially consistent with those set forth in the Form Amendment attached hereto as **Exhibit 1**, 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; such notice having been adequate and appropriate under the circumstances,

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 or the First TrueNoord Motion, as applicable.

and it appearing 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 January 5, 2022 (the “**Hearing**”)]; and upon [the record of the Hearing, 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 363(b) of the Bankruptcy Code, to enter into, and perform their obligations under, the Lease Amendments on terms substantially consistent with those set forth in the Form Amendment without further approval of the Court.
3. The Debtors 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 connection with the Lease Amendments, and to take any and all actions to implement the Lease Amendments.
4. Until the effective date of each Lease Amendment, the Debtors shall continue to comply with, and honor, all obligations under the equipment stipulation [ECF No. 423], including the PBH Rent (as defined therein).
5. The Debtors’ obligations under the Lease Amendments (including any other transaction documents contemplated therein to which the Debtors are a party) shall

constitute administrative expenses of the Debtors' estates pursuant to sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code.

6. 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, and 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 Aircraft, the Aircraft Leases, or the Amended Aircraft Leases.

7. 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.

8. 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, the Amended Aircraft Leases, and the Lease Amendments.

Dated: _____, 2022
New York, New York

THE HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Form of Lease Amendment

AMENDMENT AGREEMENT N° 1
TO
AMENDED AND RESTATED AIRCRAFT LEASE AGREEMENT

DATED _____ 2021

TRUENOORD NAZAS LIMITED
as Lessor

and

AEROLITORAL, S.A. DE C.V.
as Lessee

AMENDMENT AGREEMENT N° 1
TO
AMENDED AND RESTATED AIRCRAFT LEASE
AGREEMENT

In respect of
ONE EMBRAER E190LR Model AIRCRAFT
Bearing Manufacturer's Serial Number
[REDACTED]

**THIS AMENDMENT AGREEMENT N° 1 TO AMENDED AND RESTATED
AIRCRAFT LEASE AGREEMENT** (the “**Amendment Agreement**”) is made on
_____ 2021

BETWEEN:

- (1) **TRUENOORD NAZASLIMITED**, a private company limited by shares incorporated in Ireland whose registered office is at No.1 Grant's Row, Lower Mount Street, Dublin 2, D02 HX96, Ireland (“**Lessor**”); and
- (2) **AEROLITORAL, S.A. DE C.V.**, a company organized and existing under the laws of Mexico having its registered office at Avenida Paseo de la Reforma No. 243, Piso 25, Colonia Cuauhtémoc Delegación Cuauhtémoc, Mexico City, Mexico C.P. 06500 (“**Lessee**”).

WHEREAS:

- (A) Lessee and [REDACTED] (the “**Prior Lessor**”) entered into an Aircraft Lease Agreement dated [REDACTED] in respect of one (1) Embraer E190 aircraft bearing manufacturer’s serial number [REDACTED] (the “**Aircraft**”), Lessee, Prior Lessor and Lessor entered into an Assumption, Assignment and Amendment Agreement dated [REDACTED] in respect of the Aircraft, and Lessee and Lessor entered into an Amended and Restated Aircraft Lease Agreement dated [____], 2021 in respect of the Aircraft (as further amended, supplemented, assigned or novated, the “**Lease Agreement**”) pursuant to which Lessor leases to Lessee and Lessee leases from Lessor the Aircraft.
- (B) Lessor and Lessee wish to amend the Lease Agreement on the terms and subject to the conditions set out in this Amendment Agreement to the Lease Agreement (the “**Amendment Agreement**”).

NOW THEREFORE IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRESTATION**

Capitalised terms used in the Amendment Agreement and not otherwise defined herein shall have the meaning ascribed thereto in the Lease Agreement.

2. **AMENDMENTS**

2.1 With effect from the date hereof, the Lease Agreement shall be, and hereby is, amended by:

- (a) In Schedule 1 (*Definitions and Construction*), the definition of “Petition Date” shall be added after the definition of “Permitted Sublessee”:

“**Petition Date**” means [REDACTED].”

- (b) In Schedule 1 (*Definitions and Construction*), the definitions of “ESN [REDACTED]” and “ESN [REDACTED] Additional Equivalency Charge” shall be added after the definition of “Event of Default”:

“**ESN [REDACTED] Additional Equivalency Charge**” shall mean the ESN [REDACTED] Additional Equivalency Charge, if any, calculated pursuant to Part B of the Financial Terms Annex (*Redelivery Maintenance Payment*).”

“**ESN [REDACTED]**” has the meaning given to it in Part B of the Financial Terms Annex (*Redelivery Maintenance Payment*).”

- (c) Part B of the Financial Terms Annex (*Redelivery Maintenance Payment*) shall be deleted in its entirety and replaced with the text set forth in Exhibit A attached hereto.

2.2 Except as set out in this Amendment Agreement, the Lease Agreement shall remain in full force and effect.

3. **MISCELLANEOUS**

3.1 **Operative Document**

The parties designate this Amendment Agreement as an Operative Document by execution of this Amendment Agreement for the purposes of the definition of “ Operative Document” in the Lease Agreement.

3.2 **Expenses**

Each of Lessor and Lessee shall be responsible for its own costs and expenses incurred in connection with the preparation and negotiation of this Amendment Agreement including without limitation the fees and disbursements of its counsel.

3.3 **Counterparts**

This Amendment Agreement may be executed in any number of counterparts and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same document. This Amendment Agreement may be delivered by any party by way of e-mail to the other party and delivery shall be deemed completed for all purposes upon the completion of such e-mail transmission. Each party that so delivers this Amendment Agreement by way of e-mail agrees to promptly thereafter deliver to the other party an original signed counterpart.

4. **LAW AND JURISDICTION**

The provisions of Clause 24 of the Lease Agreement shall be applicable to this Amendment Agreement *mutatis mutandis*.

IN WITNESS WHEREOF this Amendment Agreement has been duly executed by the parties hereto on the date first above written.

EXECUTION PAGE

Lessor

TRUENOORD NAZAS LIMITED

By: _____

Name: _____

Title: _____

Lessee

AEROLITORAL, S.A. DE C.V.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

EXHIBIT A
PART B
REDELIVERY MAINTENANCE PAYMENT

1. Redelivery Maintenance Payment

A. Redelivery Maintenance Payment

On the Redelivery Date, Lessee shall pay Lessor an amount equal to the total net sum of the Structural Check Equivalency Charge, Engine Equivalency Charge, Engine LLP Equivalency Charge, APU Equivalency Charge, Landing Gear Equivalency Charge and ESN [REDACTED] Additional Equivalency Charge (each, a “**Redelivery Maintenance Payment**”). If a Redelivery Maintenance Payment is a negative number, such Redelivery Maintenance Payment will be set off against the other Redelivery Maintenance Payments (other than the ESN [REDACTED] Additional Equivalency Charge). If the aggregate of all Redelivery Maintenance Payments (excluding the ESN [REDACTED] Additional Equivalency Charge) is a negative number, no Redelivery Maintenance Payments will be due and payable by Lessor to Lessee or by Lessee to Lessor hereunder, except that the ESN [REDACTED] Additional Equivalency Charge shall be due and payable by Lessee to Lessor in full and not set off against any other Redelivery Maintenance Payment.

For all calculation below it has been agreed that if E/I is greater than one, then E/I shall be one.

B. Structural Check Equivalency Charge

- (a) The Structural Check Equivalency Charge for the Airframe 20,000 Cycles Check shall be calculated pursuant to the following formula:

$$A = W \times (C - E)$$

Where:

A is the Structural Check Equivalency Charge for the Airframe 20,000 Cycles Check

W is the Airframe 20,000 Cycles Check Rate.

C is, as applicable, the actual number of calendar months, Cycles or Flight Hours (as applicable) elapsed as of the Redelivery Date since the last Airframe 20,000 Cycles Check (or if there has not been any Airframe 20,000 Cycles Check prior to the Redelivery Date, then since new).

E is, as applicable, the actual number of Cycles as of the Petition Date since the last Airframe 20,000 Cycles Check (or if there has not been any Airframe 20,000 Cycles Check prior to the Petition Date, then since new); provided, however, that if, during the Term, Lessor has made a Lessor Maintenance Payment to Lessee in respect of such Airframe 20,000 Cycles Check, then the following adjustments will be made to the value of E:

- (i) If (F / AC) is greater than or equal to (E / I) , then E will be equal to [REDACTED];
- (ii) If (F / AC) is less than (E / I) , then E will be replaced by the value “R” as calculated below:

R is the greater of [REDACTED] or [REDACTED]

F is an amount equal to the Lessor Maintenance Payment

AC is the agreed cost set forth in the column titled "Agreed Cost" opposite the Airframe [REDACTED] Cycles Check on the table set forth in Exhibit A to the Financial Terms Annex, as adjusted in accordance with Clause 2 of such Exhibit A

I is the interval set forth in the column titled "Interval" opposite the Airframe [REDACTED] Cycles Check on the table set forth in Exhibit A to the Financial Terms Annex.

- (b) The Structural Check Equivalency Charge for the Airframe 72 Month Check shall be calculated pursuant to the following formula:

$$A = W \times (C - E)$$

Where:

A is the Structural Check Equivalency Charge for the Airframe 72 Month Check

W is the Airframe 72 Month Check Rate.

C is, as applicable, the actual number of calendar months, Cycles or Flight Hours (as applicable) elapsed as of the Redelivery Date since the last Airframe 72 Month Check (or if there has not been any Airframe 72 Month Check prior to the Redelivery Date, then since new).

E is, as applicable, the actual number of calendar months as of the Petition Date since the last Airframe 72 Month Check (or if there has not been any Airframe 72 Month Check prior to the Petition Date, then since new); provided, however, that if, during the Term, Lessor has made a Lessor Maintenance Payment to Lessee in respect of such Airframe 72 Month Check, then the following adjustments will be made to the value of E:

- (i) If (F / AC) is greater than or equal to (E / I) , then E will be equal to [REDACTED];
- (ii) If (F / AC) is less than (E / I) , then E will be replaced by the value "R" as calculated below:

R is the greater of [REDACTED] or [REDACTED]

F is an amount equal to the Lessor Maintenance Payment

AC is the agreed cost set forth in the column titled "Agreed Cost" opposite the Airframe 72 Month Check on the table set forth in Exhibit A to the Financial Terms Annex, as adjusted in accordance with Clause 2 of such Exhibit A

I is the interval set forth in the column titled "Interval" opposite the Airframe 72 Month Check on the table set forth in Exhibit A to the Financial Terms Annex.

- (c) The Structural Check Equivalency Charge for the Airframe 96 Month Check shall be calculated pursuant to the following formula:

$$A = W \times (C - E)$$

Where:

A is the Structural Check Equivalency Charge for the Airframe 96 Month Check

W is the Airframe 96 Month Check Rate.

C is, as applicable, the actual number of calendar months, Cycles or Flight Hours (as applicable) elapsed as of the Redelivery Date since the last Airframe 96 Month Check (or if there has not been any Airframe 96 Month Check prior to the Redelivery Date, then since new).

E is, as applicable, the actual number calendar months as of the Petition Date since the last Airframe 96 Month Check (or if there has not been any Airframe 96 Month Check prior to the Petition Date, then since new); provided, however, that if, during the Term, Lessor has made a Lessor Maintenance Payment to Lessee in respect of such Airframe 96 Month Check, then the following adjustments will be made to the value of E:

(i) If (F / AC) is greater than or equal to (E / I) , then E will be equal to [REDACTED];

(ii) If (F / AC) is less than (E / I) , then E will be replaced by the value “R” as calculated below:

R is the greater of [REDACTED] or [REDACTED]

F is an amount equal to the Lessor Maintenance Payment

AC is the agreed cost set forth in the column titled “Agreed Cost” opposite the Airframe 96 Month Check on the table set forth in Exhibit A to the Financial Terms Annex, as adjusted in accordance with Clause 2 of such Exhibit A

I is the interval set forth in the column titled “Interval” opposite the Airframe 96 Month Check on the table set forth in Exhibit A to the Financial Terms Annex.

(d) The Structural Check Equivalency Charge for the Airframe 120 Month Check shall be calculated pursuant to the following formula:

$$A = W \times (C - E)$$

Where:

A is the Structural Check Equivalency Charge for the Airframe 120 Month Check

W is the Airframe 120 Month Check Rate.

C is, as applicable, the actual number of calendar months, Cycles or Flight Hours (as applicable) elapsed as of the Redelivery Date since the last Airframe 120 Month Check (or if there has not been any Airframe 120 Month Check prior to the Redelivery Date, then since new).

E is, as applicable, the actual number of calendar months as of the Petition Date since the last Airframe 120 Month Check (or if there has not been any Airframe 120 Month Check prior to the Petition Date, then since new); provided, however, that if, during the Term, Lessor has made a Lessor Maintenance Payment to Lessee in respect of such Airframe 120 Month Check, then the following adjustments will be made to the value of E:

(i) If (F / AC) is greater than or equal to (E / I), then E will be equal to [REDACTED];

(ii) If (F / AC) is less than (E / I), then E will be replaced by the value “R” as calculated below:

R is the greater of [REDACTED] or [REDACTED]

F is an amount equal to the Lessor Maintenance Payment

AC is the agreed cost set forth in the column titled “Agreed Cost” opposite the Airframe 120 Month Check on the table set forth in Exhibit A to the Financial Terms Annex, as adjusted in accordance with Clause 2 of such Exhibit A

I is the interval set forth in the column titled “Interval” opposite the Airframe 120 Month Check on the table set forth in Exhibit A to the Financial Terms Annex.

C. Landing Gear Equivalency Charge

The Landing Gear Equivalency Charge shall be calculated pursuant to the following formula:

$$A = W \times (C - E)$$

Where:

A is the Landing Gear Equivalency Charge

W is the Landing Gear Overhaul Rate.

C is, as applicable, the actual number of calendar months, Cycles or Flight Hours (as applicable) elapsed as of the Redelivery Date since the last Landing Gear Overhaul (or if there has not been any Landing Gear Overhaul prior to the Redelivery Date, then since new).

E is, as applicable, the actual number of calendar months (or Cycles or Flight Hours, if applicable) elapsed as of the Petition Date since the last Landing Gear Overhaul (or if there has not been any Landing Gear Overhaul prior to of the Petition Date, then since new); provided, however, that if, during the Term, Lessor has made a Lessor Maintenance Payment to Lessee in respect of such Landing Gear Overhaul, then the following adjustments will be made to the value of E:

(i) If (F / AC) is greater than or equal to (E / I), then E will be equal to [REDACTED];

(ii) If (F / AC) is less than (E / I), then E will be replaced by the value “R” as calculated below:

R is the greater of [REDACTED] or [REDACTED]

F is an amount equal to the Lessor Maintenance Payment

AC is the agreed cost set forth in the column titled “Agreed Cost” opposite the Landing Gear Overhaul on the table set forth in Exhibit A to the Financial Terms Annex, as adjusted in accordance with Clause 2 of such Exhibit A

I is the interval set forth in the column titled “Interval” opposite the Landing Gear Overhaul on the table set forth in Exhibit A to the Financial Terms Annex.

D. Engine LLP Equivalency Charge

The Engine LLP Equivalency Charge in respect of an Engine LLP shall be calculated pursuant to the following formula:

$$A = (W/B) \times (C - E)$$

Where:

A is the Engine LLP Equivalency Charge for that Engine LLP.

W is the lower of (a) Engine Manufacturer's published list price for that Engine LLP at the time of redelivery, less any discounts to which Lessor has access and (b) the actual cost of the LLP if replaced during the Lease taking into account applicable discounts (including in respect of warranted ultimate life from the OEM) received by Lessee.

B is the then-current Cycle life limit for that Engine LLP as referenced in the Engine Manufacturer's Maintenance Manual Chapter 5; provided however, if Lessor has accepted an extended hard life Cycle limit pursuant to Clause E of Schedule 8 (*Redelivery Conditions*) for that Engine LLP, then such extended hard life Cycle limit shall be used instead.

C is the actual number of calendar months, Cycles or Flight Hours (as applicable) accumulated by that Engine LLP since new.

E is, as applicable, the actual number of Cycles as of the Petition Date; provided, however, that if, during the Term, Lessor has made a Lessor Maintenance Payment to Lessee in respect of such Engine Life Limited Part, then the following adjustments will be made to the value of E:

(i) If (F / W) is greater than or equal to (E / B) , then E will be equal to [REDACTED];

(ii) If (F / W) is less than (E / B) , then E will be replaced by the value "R" as calculated below:

R is the greater of [REDACTED] or [REDACTED]

For the purposes of the calculation of R, W will be de-escalated by [REDACTED]% annually to the time of the Lessor Maintenance Payment.

F is an amount equal to the Lessor Maintenance Payment for that Engine LLP.

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E. Engine Equivalency Charge

The Engine Equivalency Charge with respect to an Engine shall be calculated pursuant to the following formula:

$$A = W \times (C - E)$$

Where:

A is the Engine Equivalency Charge

W is the Engine Performance Restoration Rate.

C is, as applicable, the actual number of calendar months, Cycles or Flight Hours (as applicable) elapsed as of the Redelivery Date since the last Engine Performance Restoration (or if there has not been any Engine Performance Restoration prior to the Redelivery Date, then since new).

E is, as applicable, the actual number of calendar months elapsed (or Cycles or Flight Hours, if applicable) as of the Petition Date (or, if a Near-Term Engine Performance Restoration has occurred and Lessor has provided Lessee with an Exchange Engine in replacement of such Engine [REDACTED], the date Lessor provided Lessee with such Exchange Engine) since the last Engine Performance Restoration (or if there has not been any Engine Performance Restoration prior to the Petition Date, then since new); provided, however, that if, during the Term, a Near-Term Engine Performance Restoration has occurred for such Engine and [REDACTED], then the following adjustments will be made to the value of E:

- (i) If (F / AC) is greater than or equal to (E / I) , then E will be equal to zero;
- (ii) If (F / AC) is less than (E / I) , then E will be replaced by the value “R” as calculated below:

R is the greater of [REDACTED] or [REDACTED]

F is an amount equal to the Lessor Engine Maintenance Payment

AC is the agreed cost set forth in the column titled “Agreed Cost” opposite the Engine Performance Restoration on the table set forth in Exhibit A to the Financial Terms Annex, as adjusted in accordance with Clause 2 of such Exhibit A

I is the interval set forth in the column titled “Interval” opposite the Engine Performance Restoration on the table set forth in Exhibit A to the Financial Terms Annex.

F. APU Equivalency Charge

The APU Equivalency Charge shall be calculated pursuant to the following formula:

$$A = W \times (C - E)$$

Where:

A is the APU Equivalency Charge

W is the APU Medium Repair Rate.

C is, as applicable, the actual number of calendar months, Cycles or APU Hours (as applicable) elapsed as of the Redelivery Date since the last APU Medium Repair Shop Visit (or if there has not been any APU Medium Repair Shop Visit prior to the Redelivery Date, then since new).

E is, as applicable, the actual number of APU Hours as of the Petition Date since the last APU Medium Repair Shop Visit (or if there has not been any APU Medium Repair Shop Visit prior to the Petition Date, then since new); provided, however, that if, during the Term, Lessor has made a Lessor Maintenance Payment to Lessee in respect of such APU Medium Repair Shop Visit, then the following adjustments will be made to the value of E:

(i) If (F / AC) is greater than or equal to (E / I) , then E will be equal to [REDACTED];

(ii) If (F / AC) is less than (E / I) , then E will be replaced by the value “R” as calculated below:

R is the greater of [REDACTED] or [REDACTED]

F is an amount equal to the Lessor Maintenance Payment

AC is the agreed cost set forth in the column titled “Agreed Cost” opposite the APU Medium Repair Shop Visit on the table set forth in Exhibit A to the Financial Terms Annex, as adjusted in accordance with Clause 2 of such Exhibit A

I is the interval set forth in the column titled “Interval” opposite the APU Medium Repair Shop Visit on the table set forth in Exhibit A to the Financial Terms Annex.

G. ESN [REDACTED] Additional Equivalency Charge

The ESN [REDACTED] Additional Equivalency Charge with respect to Engine bearing manufacturer’s serial number [REDACTED] (“ESN [REDACTED]”) shall be calculated pursuant to the following formula:

$$A = W \times C$$

Where:

A is the ESN [REDACTED] Additional Equivalency Charge.

W is the Engine Performance Restoration Rate.

C is, as applicable, the actual number of calendar months, Cycles or Flight Hours (as applicable) elapsed from the Petition Date to the next Engine Performance Restoration performed on ESN [REDACTED].

Exhibit B

Landess Declaration

**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)

**DECLARATION OF MATTHEW LANDESS IN SUPPORT OF
DEBTORS' MOTION FOR ENTRY OF AN ORDER AUTHORIZING
DEBTOR AEROLITORAL, S.A. DE C.V. TO ENTER INTO
LEASE AMENDMENTS WITH TRUENOORD NAZAS LIMITED**

I, Matthew Landess, declare as follows:

1. I am a partner of SkyWorks Capital, LLC (“**SkyWorks**”), which serves as aircraft fleet restructuring financial advisor to the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”) and served in such capacity prior to the commencement of these cases. I have been employed by SkyWorks or its affiliates since 2008.

2. As a Partner at SkyWorks, I have advised several airlines during their restructuring processes. I have worked on bankruptcy cases in the airline industry, including TWA, Delta Air Lines, and American Airlines. I have advised multiple industry-leading airlines on matters relating to fleet planning, including aircraft orders, aircraft financing structures, tax leases, operating leases, capital leases and multiple debt structures, and negotiating contracts on behalf of my clients that have enabled them to collectively save billions of dollars and successfully restructure their businesses.

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 Mexico, 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.

3. I submit this declaration (this “**Declaration**”) in support of the *Debtors’ Motion for Entry of an Order Authorizing Debtor Aerolitoral, S.A. de C.V. To Enter Lease Amendments with TrueNoord Nazas Limited* (the “**Motion**”).²

4. The statements in this Declaration are, except where specifically noted, based on my personal knowledge or opinion, on information that I have received from the Debtors’ employees or advisors or professionals of SkyWorks working directly with me or under my supervision, direction, or control, or from the Debtors’ books and records maintained in the ordinary course of their businesses.³

5. I am not being specifically compensated for this testimony other than through payments received by SkyWorks as a professional retained by the Debtors. I am over the age of 18 years and authorized to submit this Declaration on behalf of the Debtors. If I were called upon to testify, I could and would competently testify to the facts set forth herein.

Declaration

6. On October 13, 2021, the Debtors filed the First TrueNoord Motion, pursuant to which the Debtors sought the Court’s approval to assume the Aircraft Leases on an amended basis and enter the Claims Settlement, as more fully detailed in the First TrueNoord Motion and the declaration filed in support thereof [ECF No. 1876]. On October 28, 2021, the Court entered an order granting the First TrueNoord Motion (the “**TrueNoord Order**”) [ECF No. 2004].

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

³ This Declaration is based on SkyWorks’ knowledge of the Debtors, the Chapter 11 Cases, and their fleet (aside from aircraft bearing manufacturer’s serial number 35311).

7. Shortly thereafter, the Debtor Lessee and the Lessor negotiated in good faith certain amendments to the Amended Aircraft Leases. The terms of such amendments shall be memorialized in the Lease Amendments and will be on terms substantially consistent with those set forth in the Form Amendment. By agreeing to assume the Aircraft Leases on an amended basis, as amended by the Amended Aircraft Leases and as further amended by the Lease Amendments, the Debtors have achieved certainty in maintaining the Aircraft in their fleet on terms that fit the Debtors' short- and long-term needs and with improved economics and terms and conditions as compared to the original Aircraft Leases.

8. I believe that entry into the Lease Amendments is fair, equitable, reasonable, the product of the Debtors exercising their sound business judgment, and in the best interests of the Debtors' estates. The Debtors are seeking to reset their fleet and attendant costs to a market level. As part of this process, the Debtors are evaluating their fleet of aircraft and equipment, reviewing the relevant underlying leases and agreements, and, to the extent prudent, negotiating amendments to such leases and agreements for aircraft and equipment that the Debtors desire to maintain. In doing so, the Debtors compared the original Aircraft Leases and the Aircraft to available alternatives and ultimately negotiated (at arm's length, in good faith, and in consultation with their key stakeholders) new economically favorable terms, as memorialized in the form of the Amended Aircraft Leases and the Form Amendment, that are in line with the Debtors' long-term business plan. In addition to the improved costs and better terms and conditions as compared to the original Aircraft Leases, the Amended Aircraft Leases (as amended by the Lease Amendments) also will create operational flexibility for the Debtors, as they will allow the Debtors to retain and operate two existing aircraft in their fleet and would position the Debtors to potentially reject other aircraft or equipment that are not as attractive for

the long-term fleet. Finally, the Debtors have determined (based on the exercise of their sound business judgment) that the terms of the Lease Amendments represent the best available transactions under the circumstances (*i.e.*, the Chapter 11 Cases), but also would be commercially beneficial transactions irrespective of such circumstances.

9. For the reasons set forth above, I believe that (a) the relief requested in the Motion is fair, equitable, and reasonable and represents a sound exercise of the Debtors' business judgment and (b) the Court's approval of the Claims Settlement is in the best interest of their estates and economic stakeholders.

10. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed this 22nd day of December, 2021
in Chico, California

/s/ Matthew Landess
Matthew Landess