

**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 considered the relief requested 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 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: January 3, 2022
New York, New York

/S/ Shelley C. Chapman
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.

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].