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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	**Chapter 11**
GRUPO AEROMÉXICO, S.A.B. de C.V., *et al.*,	**Case No. 20-11563 (SCC)**
Debtors.[1]	**(Jointly Administered)**

STIPULATION AND AGREED ORDER AMONG THE DEBTORS AND AVOLON AEROSPACE LEASING LIMITED AND CERTAIN OTHER PARTIES

Grupo Aeroméxico, S.A.B. de C.V. ("**Grupo Aeroméxico**") and certain of its affiliates, each of which is a debtor and debtor in possession (collectively, the "**Debtors**") in the above-captioned chapter 11 cases (the "**Chapter 11 Cases**"), and the Claimants (as defined herein and, together with the Debtors, the "**Parties**") hereby enter into this stipulation and agreed order (the "**Stipulation and Agreed Order**"). The Parties stipulate and agree as follows:

RECITALS

WHEREAS, on June 30, 2020 (the "**Petition Date**"), each of the Debtors filed in the United

[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.

States Bankruptcy Court for the Southern District of New York (the "**Court**") a voluntary petition for relief under chapter 11 of title 11 of the United States Code (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. 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[2];

WHEREAS, the Parties agree that (i) the Court has jurisdiction over this Stipulation and Agreed Order 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.), (ii) this matter is a core proceeding within the meaning of 28 U.S.C. § 157(b), and (iii) venue of the Chapter 11 Cases and related proceedings is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409;

WHEREAS, the Parties confirm their consent, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), to the entry of this Stipulation and Agreed Order by the Court to the extent that it is later determined that the Court, absent consent of the Parties (as defined herein), cannot enter a final order or judgment in connection herewith consistent with Article III of the United States Constitution;

WHEREAS, Debtor Aerovías de México, S.A. de C.V. ("**Aerovías**") and Wilmington Trust Company, not in its individual capacity, but solely as owner trustee (the "**62147 Lessor**"), entered into that certain Aircraft Lease Agreement, dated as of December 23, 2019 (the "**62147 Lease**"), with respect to one Boeing model 787-900 aircraft bearing manufacturer's serial number

[2] 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.

62147 (together with the related engines, parts, equipment, and appurtenances, the "**62147 Aircraft**");

WHEREAS, Aerovías and Wilmington Trust Company, not in its individual capacity, but solely as owner trustee (the "**62148 Lessor**" and, together with the 62147 Lessor, the "**787-9 Lessors**"), entered into that certain Aircraft Lease Agreement, dated as of December 23, 2019 (the "**62148 Lease**" and, together with the 62147 Lease, the "**787-9 Aircraft Leases**"), with respect to one Boeing model 787-900 aircraft bearing manufacturer's serial number 62148 (together with the related engines, parts, equipment, and appurtenances, the "**62148 Aircraft**" and, together with the 62147 Aircraft, the "**787-9 Aircraft**");

WHEREAS, the Parties acknowledge that, notwithstanding the 787-9 Aircraft Leases, the Debtors will acquire and lease the 787-9 Aircraft through a lessor that is not a Claimant or an affiliate of the Claimant, such that the Debtors will not encounter any prejudice as a result of the termination of the 787-9 Aircraft Leases and related 787-9 Lease Transaction Documents (as defined herein);

WHEREAS, the Parties acknowledge that certain amounts are to be paid to Aerovías by the 787-9 Lessors in connection with the termination of the 787-9 Aircraft Leases, as more fully set forth in the 787-9 Aircraft Leases;

WHEREAS, the Parties acknowledge that, on or about January 14, 2021, the parties listed below (the "**Claimants**") filed the following claims (the "**787-9 Claims**") in the Chapter 11 Cases against Aerovías's bankruptcy estate relating to the 787-9 Aircraft, the 787-9 Aircraft Leases, or any of the other 787-9 Lease Transaction Documents:

Claimant	Claim Number	Claim Amount
Avolon Aerospace Leasing Limited	485	undetermined

Avolon Leasing Ireland 3 Limited	486	undetermined
Wilmington Trust Company (as owner trustee) (MSN 62147)	487	$119,041,754.20
Avolon Aerospace Leasing Limited	488	undetermined
Avolon Leasing Ireland 3 Limited	489	undetermined
Wilmington Trust Company (as owner trustee) (MSN 62148)	490	$119,041,804.60
	Total:	**$238,083,558.80**[3]

WHEREAS, the Parties have conferred and negotiated in good faith and have agreed that, (a) upon the entry by the Court of this Stipulation and Agreed Order, (i) the 787-9 Aircraft Leases, together with any guarantees provided by any of the Claimants or their affiliates with respect to the 787-9 Aircraft (such guarantees, the "**Lessor 787-9 Guarantees**")[4] and all other agreements related to the 787-9 Aircraft to which both (Y) one or more of the Debtors (or their affiliates) and (Z) one or more of the Claimants (or their affiliates) are parties (such agreements, collectively with the 787-9 Aircraft Leases and the Lessor 787-9 Guarantees, the "**787-9 Lease Transaction Documents**"), shall be deemed terminated (the "**Termination**"), (ii) the mutual releases set forth in this Stipulation and Agreed Order, on the terms and conditions set forth herein, shall become effective, and (iii) the 787-9 Claims shall be deemed withdrawn with prejudice without further action by the Court, and Epiq Corporate Restructuring, LLC is authorized to update the official claims register maintained in the Chapter 11 Cases to reflect the withdrawal of the 787-9 Claims, and (b) promptly following entry by the Court of this Stipulation and Agreed Order, the 787-9

[3] This total includes only determined, liquidated amounts. The 787-9 Claims assigned numbers 485, 486, 488, and 489 were asserted in undetermined amounts. While the 787-9 Claims assigned numbers 487 and 490 were asserted in partially determined amounts, the Claimants indicated that there are also unliquidated portions of those 787-9 Claims as well.

[4] Such Lessor 787-9 Guarantees include (a) that certain Lessor Guarantee (MSN 62147), dated as of December 23, 2019, by and among Avolon Aerospace Leasing Limited and Aerovías, and (b) that certain Lessor Guarantee (MSN 62148), dated as of December 23, 2019, by and among Avolon Aerospace Leasing Limited and Aerovías.

Lessors shall remit any amounts owed to Aerovías in connection with the Termination set forth in the 787-9 Aircraft Leases, including, without limitation, the payment of the security deposits to Aerovías under the 787-9 Aircraft Leases;

WHEREAS, the Debtors have determined, in their reasonable business judgment, that the terms and conditions of this Stipulation and Agreed Order are in the best interests of their estates and economic stakeholders;

WHEREAS, the Parties now desire to enter into this Stipulation and Agreed Order on the terms and conditions set forth herein;

WHEREAS, the undersigned hereby represent and warrant that they have full authority to execute this Stipulation and Agreed Order on behalf of the respective Parties and that the respective Parties have full knowledge of, and have consented to, this Stipulation and Agreed Order; and

WHEREAS, the Parties agree that each of them has had a full opportunity to participate in the drafting of this Stipulation and Agreed Order (and to retain counsel) and, accordingly, any claimed ambiguity shall be construed neither for nor against either of the Parties.

NOW, THEREFORE, IT IS STIPULATED AND AGREED BY THE PARTIES AND HEREBY ORDERED THAT:

1. The foregoing recitals are hereby incorporated by reference into this Stipulation and Agreed Order as if set forth at length herein.

2. Upon the Court's approval of this Stipulation and Agreed Order, to the extent necessary, the automatic stay under section 362 of the Bankruptcy Code is modified to allow the Claimants to effectuate the Termination and the terms of this Stipulation and Agreed Order.

3. Upon the Court's approval of this Stipulation and Agreed Order, the 787-9 Aircraft Leases, the Lessor 787-9 Guarantees, and the other 787-9 Lease Transaction Documents shall be

deemed terminated, and no further action will be required of the Claimants to effectuate the Termination.

4. Promptly following entry of this Stipulation and Agreed Order, the 787-9 Lessors shall remit any amounts owed to Aerovías in connection with the Termination, including, without limitation, the payment of the security deposits to Aerovías under the 787-9 Aircraft Leases.

5. Upon the Court's approval of this Stipulation and Agreed Order, the 787-9 Claims shall be deemed withdrawn with prejudice without further action by the Court, and Epiq Corporate Restructuring, LLC is authorized to update the official claims register maintained in the Chapter 11 Cases to reflect the withdrawal of the 787-9 Claims.

6. Upon the Court's approval of this Stipulation and Agreed Order, the Claimants and each of the Claimants' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective current and former officers and directors, principals, equity holders, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors, management companies, fund advisors, and other professionals, and such persons' respective heirs, executors, estates, and nominees (collectively, the "**Avolon Releasing Parties**") shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released the Debtors, and each of the Debtors' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective current and former officers and directors, trustees, principals, equity holders, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors, management companies, fund advisors, and other professionals, and each such persons' respective heirs, executors, estates,

and nominees from any and all claims, interests, obligations, debts, rights, suits, damages, causes of action, remedies, and liabilities, whether known or unknown, foreseen or unforeseen, asserted or unasserted, in law, equity, or otherwise, whether for tort, fraud, contract, violations of federal or state laws, or otherwise, including those causes of action based on veil piercing or alter-ego theories of liability, contribution, indemnification, joint liability, or otherwise that the Avolon Releasing Parties (individually or collectively) would have been legally entitled to assert, solely to the extent based on, relating to, or in any manner arising from, in whole or in part, the 787-9 Aircraft, the 787-9 Aircraft Leases, any other 787-9 Lease Transaction Document, any obligations arising from or relating to the same, any negotiations conducted in conjunction therewith, or any actions or transactions taken or conducted pursuant or related thereto, including, for the avoidance of doubt, the 787-9 Claims.

7. Upon the Court's approval of this Stipulation and Agreed Order, the Debtors and each of the Debtors' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective current and former officers and directors, principals, equity holders, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors, management companies, fund advisors, and other professionals, and such persons' respective heirs, executors, estates, and nominees (collectively, the "**Aeroméxico Releasing Parties**") shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released the Claimants and each Claimant's respective predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective current and former officers and directors, trustees, principals, equity holders, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants,

investment bankers, consultants, representatives, investment managers, investment advisors, management companies, fund advisors, and other professionals, and each such persons' respective heirs, executors, estates, and nominees from any and all claims, interests, obligations, debts, rights, suits, damages, causes of action, remedies, and liabilities, whether known or unknown, foreseen or unforeseen, asserted or unasserted, in law, equity, or otherwise, whether for tort, fraud, contract, violations of federal or state laws, or otherwise, including those causes of action based on veil piercing or alter-ego theories of liability, contribution, indemnification, joint liability, or otherwise, including, for the avoidance of doubt, any and all avoidance, recovery, subordination or similar actions or remedies that may be brought under the Bankruptcy Code or applicable non-bankruptcy law, whether known or unknown, foreseen or unforeseen, asserted or unasserted, that the Aeroméxico Releasing Parties (individually or collectively) would have been legally entitled to assert by or on behalf of themselves or the Debtors, solely to the extent based on, relating to, or in any manner arising from, in whole or in part, the 787-9 Aircraft, the 787-9 Aircraft Leases, any other 787-9 Lease Transaction Document, any obligations arising from or relating to the same, and any negotiations conducted in conjunction therewith, or any actions or transactions taken or conducted pursuant or related thereto.

8. Except as specifically provided herein, nothing contained in this Stipulation and Agreed Order, and no actions taken pursuant hereto, shall be deemed (a) an agreement or admission by the Debtors as to the validity, categorization, amount, or priority of any claim against any Debtor entity on any grounds, (b) a waiver or impairment of any rights, claims, or defenses of the Debtor or any other party in interest to dispute any claim on any grounds, (c) a promise by the Debtors that any claim is payable pursuant to this Stipulation and Agreed Order, (d) a waiver of the rights of

the Debtors or any other party in interest under the Bankruptcy Code or any other law, or (e) a grant of any third-party beneficiary status or bestowal of any additional rights on any third party.

9. Except to the extent explicitly stated otherwise, this Stipulation and Agreed Order does not affect the substantive rights of any party, nor create any rights, defense, or arguments not otherwise available under applicable law.

10. Nothing contained herein shall (a) create, nor is it intended to create, any rights in favor of, or enhance the status of any claim held by, any person or entity, (b) be deemed to convert the priority of any claim from a prepetition claim into an administrative expense claim, (c) constitute a waiver or release by any Party of any claims, interests, obligations, debts, rights, suits, damages, causes of action, remedies, and liabilities that are not based upon the 787-9 Aircraft, 787-9 Aircraft Leases, the 787-9 Lease Transaction Documents, or any obligations arising from the same, or (d) implement a termination or release of any document or agreement related to the 787-9 Aircraft other than (i) the 787-9 Aircraft Leases, (ii) the Lessor 787-9 Guarantees, and (iii) any other documents or agreements executed in connection with the 787-9 Aircraft to which both (Y) one or more of the Debtors (or their affiliates) and (Z) one or more of the Claimants (or their affiliates) are parties to such documents or agreements.

11. Nothing in this Stipulation and Agreed Order nor any action taken by the Debtors in furtherance of the implementation hereof shall be deemed to constitute an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, and all of the Debtors' rights with respect to such matters are expressly reserved.

12. This Stipulation and Agreed Order shall be binding upon and inure to the benefit of the Parties and their respective heirs, executors, administrators, agents, and permitted successors and assigns, including, as applicable, bankruptcy trustees and estate representatives, and any

parent, subsidiary, or affiliated entity of the Parties.

13. Any Bankruptcy Rule (including, but not limited to, Bankruptcy Rule 6004(h)) or any of the Local Bankruptcy Rules for the Southern District of New York that might otherwise delay the effectiveness of this Stipulation and Agreed Order is hereby waived, and the terms and conditions of this Stipulation and Agreed Order shall be effective and enforceable immediately upon its entry.

14. This Stipulation and Agreed Order contains the entire agreement by and among the Parties with respect to the subject matter hereof, and all prior understandings or agreements, if any, are merged into this Stipulation and Agreed Order.

15. This Stipulation and Agreed Order shall not be modified, altered, amended or supplemented except by a writing executed by the Parties or their authorized representatives.

16. Neither this Stipulation and Agreed Order, nor any actions taken pursuant hereto, shall constitute evidence admissible against the Parties in any action or proceeding other than one to enforce the terms of this Stipulation and Agreed Order.

17. The Parties are authorized to take all such actions as are necessary or appropriate to implement the terms of this Stipulation and Agreed Order.

18. The Court shall retain exclusive jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and enforcement of this Stipulation and Agreed Order, and the Parties hereby consent to such jurisdiction to resolve any disputes or controversies arising from or related to this Stipulation and Agreed Order.

IT IS SO ORDERED.

Dated: January 4, 2022
New York, New York

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

Respectfully submitted this 28th day of December 2021.

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