UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
AIR BALTIC CORPORATION AS, *et al.*,[1]	)	Case No. 26-12188 (LGB)
Debtors.	)	(Jointly Administered)

ORDER (I) AUTHORIZING AND APPROVING PROCEDURES TO REJECT OR ASSUME EXECUTORY CONTRACTS AND UNEXPIRED LEASES AND (II) GRANTING RELATED RELIEF

Upon consideration of the motion (the "Motion")[2] of the above-captioned Debtors, seeking entry of an order pursuant to sections 105(a), 363, 365, and 554 of the Bankruptcy Code (i) authorizing and approving Contract Procedures for rejecting or assuming Contracts and abandoning certain personal property and (ii) granting related relief, all as described more fully in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference M-431*, dated January 31, 2012 (Preska, C.J.); and it appearing that venue of these Chapter 11 Cases and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary under the circumstances; and upon the Motion; and upon the statements of counsel in support of the relief requested in the Motion at the hearing before the Court; and all of the proceedings had before the Court; and this Court having determined that the relief requested

[1] The Debtors in these Chapter 11 Cases are: Air Baltic Corporation AS, Air Baltic Training, SIA, and Baltijas Kravu Centrs SIA. The Debtors' service address is Tehnikas Street 3, Lidosta "Riga", Mārupe Parish, Mārupe District, LV-1053, Latvia.

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

in the Motion is in the best interests of the Debtors, their estates, their creditors and other parties-in-interest; and after due deliberation thereon; and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted to the extent set forth herein.

2. The following procedures (the "Rejection Procedures") are approved in connection with rejecting Contracts:

a. ***Rejection/Abandonment Notice***. The Debtors may file a notice in the form attached to the Motion as Exhibit B (the "Rejection/Abandonment Notice") to reject a Contract or Contracts pursuant to section 365 of the Bankruptcy Code and/or abandon property pursuant to section 554 of the Bankruptcy Code, which Rejection/Abandonment Notice shall set forth, among other things: (i) the Contract or Contracts to be rejected and/or the property to be abandoned; (ii) the names and addresses of the counterparties to such Contracts (the "Contract Counterparties"); (iii) the effective date of the rejection for each such Contract and/or the effective date of the abandonment of the underlying property (the "Rejection Date"); and (iv) the deadlines and procedures for filing objections to the Rejection/Abandonment Notice (as set forth below). The Rejection/Abandonment Notice may list multiple Contracts; *provided* that the Rejection/Abandonment Notice shall be text-searchable and the number of counterparties to Contracts listed on the Rejection/Abandonment Notice shall be limited to no more than 100 and shall be listed in alphabetical order.

b. ***Service of Rejection/Abandonment Notice***. The Debtors will cause the Rejection/Abandonment Notice to be served by email and overnight delivery service upon the Contract Counterparties affected by the Rejection/Abandonment Notice, and by first class mail, email, or fax (if no email address is provided) upon the Master Service List (as defined in the Case Management Order).

c. ***Objection Procedures***. Parties objecting to a proposed rejection must file and serve a written objection so that such objection is filed with the Court on the docket of these Chapter 11 Cases no later than fourteen (14) days after the date the Debtors serve the relevant Rejection/Abandonment Notice, or such longer period as may be agreed by the Debtors (the "Rejection Objection Deadline") and promptly served on: (i) the Chambers of the Honorable Lisa G. Beckerman, United States Bankruptcy Judge, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, NY 10004, (ii) the Debtors, c/o Milbank LLP, 55 Hudson Yards, New York, NY 10001 (Attn: Evan R. Fleck, Esq., Jaimie Fedell, Esq., Andrew M. Leblanc, Esq., and Erin E. Dexter, Esq.), proposed counsel for the Debtors; (iii) William K. Harrington, U.S. Department of Justice, Office of the U.S. Trustee, One

Bowling Green, Suite 739, New York, NY 10004-1408 (Attn: Shara Cornell, Esq. and Daniel Rudewicz, Esq.); and (iv) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, NY 10019 (Attn: Brett H. Miller, Esq., Todd M. Goren, Esq., James H. Burbage, Esq., and Joseph R. Brandt, Esq.), proposed counsel for the Official Committee of Unsecured Creditors (collectively, the "Objection Service Parties").

d. ***No Objection***. If no objection to the rejection of any Contract is timely filed by the Rejection Objection Deadline, each Contract listed in the applicable Rejection/Abandonment Notice shall be rejected as of the Rejection Date set forth in the Rejection/Abandonment Notice or such other date as the Debtors and the counterparty or counterparties to such Contract(s) agree.

e. ***Unresolved Objections***. If an objection to the rejection of any Contracts listed in the applicable Rejection/Abandonment Notice is timely filed and not withdrawn or resolved, the Debtors shall file a notice for a hearing to consider the objection for the Contract or Contracts to which such objection relates. If such objection is overruled or withdrawn, such Contract or Contracts shall be rejected as of the Rejection Date set forth in the Rejection/Abandonment Notice or such other date as the Debtors and the counterparty or counterparties to such Contract(s) agree.

f. ***No Application of Security Deposits***. If the Debtors have deposited monies with a Contract counterparty as a security deposit or other arrangement, such Contract counterparty may not setoff, recoup, or otherwise use such monies without further order of the Court, unless the Debtors and the counterparty or counterparties to such Contract(s) otherwise agree or the Court orders otherwise.

g. ***Abandoned Property for Real Property Leases***. The Debtors are authorized, but not directed, at any time on or after the applicable Rejection Date, to remove or abandon any of the Debtors' personal property that may be located on the premises of the Debtors' leased real property that is subject to a rejected Contract. The Debtors shall generally describe such abandoned personal property in the Rejection/Abandonment Notice. Absent a timely objection, such property will be deemed abandoned pursuant to section 554 of the Bankruptcy Code, as is, effective as of the Rejection Date.[3] Contract Counterparties to leases may, in their sole discretion and without further order of this Court, utilize and/or dispose of such property without liability to the Debtors or third parties and, to the extent applicable, the automatic stay is modified to allow such disposition.

[3] If the Rejection Date specified in the Rejection/Abandonment Notice with respect to any Contract that is a lease of nonresidential real property predates the removal of any property not otherwise generally described in the Rejection/Abandonment Notice, the Rejection Date will not become effective until such date the property is removed from the leased premises.

h. ***Rejection Damages***. Claims arising out of the rejection of Contracts, if any, must be filed on or before the later of (i) the deadline for filing proofs of claim established in these Chapter 11 Cases, and (ii) 30 days after the Rejection Date. If no proof of claim is timely filed, such claimant shall be forever barred from asserting a claim for damages arising from the rejection and from participating in any distributions on such a claim that may be made in connection with these Chapter 11 Cases.

i. ***Removal from Schedule***. The Debtors reserve the right to remove any Contract from the schedule to any Rejection/Abandonment Notice at any time prior to the Rejection Date.

j. ***Aircraft Leases and Financings***. The Rejection Procedures set forth herein shall not apply to any of the Debtors' leases or subleases of aircraft or aircraft equipment or financing documents for aircraft or aircraft equipment.

3. The following procedures (the "Assumption Procedures") are approved in connection with assuming and assuming and assigning Contracts:

a. ***Assumption Notice***. The Debtors shall file a notice in the form attached to the Motion as Exhibit C (the "Assumption Notice") to assume a Contract or Contracts pursuant to section 365 of the Bankruptcy Code, which shall set forth, among other things: (i) the Contract or Contracts to be assumed; (ii) the names and addresses of the Contract Counterparties; (iii) the identity of the proposed assignee of such Contracts (the "Assignee"), if applicable; (iv) the effective date of the assumption for each such Contract (the "Assumption Date"); (v) the proposed cure amount, if any for each such Contract; (vi) a description of any material amendments to the Contract made outside of the ordinary course of business; and (vii) the deadlines and procedures for filing objections to the Assumption Notice (as set forth below). The Debtors shall, to the extent reasonably practicable, consult with counsel to the Committee prior to filing any Assumption Notice in the Chapter 11 Cases. The Assumption Notice may list multiple Contracts; *provided*, that the Assumption Notice shall be text-searchable and the number of counterparties to Contracts listed on the Assumption Notice shall be limited to no more than 100 and shall be listed in alphabetical order.

b. ***Service of Assumption Notice***. The Debtors will cause the Assumption Notice to be served by email and overnight delivery service upon the Contract counterparties affected by the Assumption Notice and by first class mail, email, or fax (if no email is provided) upon the Master Service List.[4]

[4] The Debtors shall serve a counterparty to a Contract to be assumed under the Contract Procedures with evidence of adequate assurance upon such counterparty's written request to the Debtors' counsel.

c. ***Objection Procedures***. Parties objecting to a proposed assumption must file and promptly serve a written objection on the Objection Service Parties so that such objection is filed with the Court on the docket of these Chapter 11 Cases no later than fourteen (14) days after the date the Debtors serve the applicable Assumption Notice, or such longer period as may be agreed by the Debtors (the "Assumption Objection Deadline").

d. ***No Objection***. If no objection to the assumption of any Contract is timely filed by the Assumption Objection Deadline, each Contract shall be assumed as of the Assumption Date set forth in the applicable Assumption Notice or such other date as the Debtors and the counterparty or counterparties to such Contract(s) agree and the proposed cure amount shall be binding on all counterparties to such Contract(s) and no amount in excess thereof shall be paid for cure purposes.

e. ***Unresolved Objections***. If an objection to the assumption of any Contract is timely filed and not withdrawn or resolved, the Debtors shall file a notice for a hearing to consider the objection for the Contract(s) to which such objection relates. If such objection is overruled or withdrawn, such Contract shall be assumed as of the Assumption Date set forth in the Assumption Notice or such other date as the Debtors and the counterparty or counterparties to such Contract agree.

f. ***Removal from Schedule***. The Debtors reserve the right to remove any Contract from the schedule to any Assumption Notice at any time prior to the Assumption Date (including, without limitation, upon the failure of any proposed assumption and assignment to close).

g. ***Aircraft Leases and Financings***. The Assumption Procedures set forth herein shall not apply to any of the Debtors' leases or subleases of aircraft or aircraft equipment or financing documents for aircraft or aircraft equipment.

4. With regard to Contracts to be assigned, pursuant to section 363(f) of the Bankruptcy Code, the assignment of any Contract shall: (a) be free and clear of (i) all liens (and any liens shall attach to the proceeds in the same order and priority subject to all existing defenses, claims, setoffs, and rights) and (ii) any and all claims (as that term is defined in section 101(5) of the Bankruptcy Code), obligations, demands, guarantees of or by the Debtors, debts, rights, contractual commitments, restrictions, interests, and matters of any kind and nature, whether arising prior to or subsequent to the commencement of these Chapter 11 Cases, and whether imposed by agreement, understanding, law, equity, or otherwise (including, without limitation,

claims, and encumbrances (A) that purport to give to any party a right or option to effect any forfeiture, modification, or termination of the interest of any Debtor or Assignee, as the case may be, in the Contract(s), or (B) in respect of any taxes); and (b) constitutes a legal, valid, and effective transfer of such Contract(s) and vests the applicable Assignee with all rights, titles, and interests to the applicable Contract(s).

5. Subject to the other provisions of this Order (including the aforementioned Assumption Procedures), the Debtors are hereby authorized in accordance with sections 365(b) and (f) of the Bankruptcy Code to (a) assume and assign to any Assignees any applicable Contract, with any applicable Assignee being responsible only for the post-assignment liabilities or defaults under the applicable Contract except as otherwise provided for in this Order and (b) execute and deliver to any applicable Assignee such assignment documents as may be reasonably necessary to sell, assign, and transfer any such Contract.

6. The Debtors' right to assert that any provisions in the Contract that expressly or effectively restrict, prohibit, condition, or limit the assignment of or the effectiveness of the Contract are unenforceable anti-assignment or *ipso facto* clauses is fully reserved.

7. Approval of the Contract Procedures and this Order will not prevent the Debtors from seeking to reject or assume a Contract by separate motion.

8. The 14-day stay required of any assignment of any Contract pursuant to Bankruptcy Rule 6006(d) is hereby waived.

9. All rights and defenses of the Debtors are preserved, including all rights and defenses of the Debtors with respect to a claim for damages arising as a result of a Contract rejection, including any right to assert an offset, recoupment, counterclaim, or deduction. In addition, nothing in this Order or the Motion shall limit the Debtors' ability to subsequently assert

that any particular Contract is terminated and is no longer an executory contract or unexpired lease, respectively.

10. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of the Bankruptcy Rules and the Local Rules are satisfied by such notice.

11. Notwithstanding anything to the contrary, the terms and conditions of this Order are immediately effective and enforceable upon its entry.

12. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

13. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: October 19, 2026
New York, New York

/s/ Lisa G. Beckerman
THE HONORABLE LISA G. BECKERMAN
UNITED STATES BANKRUPTCY JUDGE