

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

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In re: : Chapter 11
  
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ONE AVIATION CORPORATION, *et al.*,<sup>1</sup> : Case No. 18-12309 (CSS)
  
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Debtors. : Jointly Administered
  
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: **RE: Docket No. 878**
  
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**ORDER (A) APPROVING FORM AND MANNER OF NOTICE IN CONNECTION WITH SALE OF ASSETS OF THE DEBTORS, (B) SCHEDULING SALE HEARING, (C) APPROVING BID PROTECTIONS, (D) AUTHORIZING PROCEDURES GOVERNING ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (E) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)<sup>2</sup> of ONE Aviation Corporation and its affiliated debtors as debtors in possession (collectively, the “Debtors”) for the entry of an order: (a) approving the form and manner of notice of the proposed sale transactions and the Sale Hearing, (b) scheduling the Sale Hearing, (c) approving the Bid Protections, (d) authorizing procedures governing the assumption and assignment of the Assigned Contracts, and (e) granting related relief, as more fully described in the Motion; and it appearing that the relief requested is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157

<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each debtor’s tax identification number, as applicable, are: ONE Aviation Corporation (9649); ACC Manufacturing, Inc. (1364); Aircraft Design Company (1364); Brigadoon Aircraft Maintenance, LLC (9000); DR Management, LLC (8703); Eclipse Aerospace, Inc. (9000); Innovatus Holding Company (9129); Kestrel Aircraft Company, Inc. (2053); Kestrel Brunswick Corporation (6741); Kestrel Manufacturing, LLC (1810); Kestrel Tooling Company (9439); and OAC Management, Inc. (9986). The debtors’ corporate headquarters is located at 3520 Spirit Drive SE, Albuquerque, NM 87106.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Purchase Agreement and the Motion, as applicable, and to the extent of any inconsistency in the defined terms, the Purchase Agreement shall govern.

and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157; and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided under the particular circumstances; and it appearing that no other or further notice need be provided; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY FOUND THAT:**<sup>3</sup>

A. The statutory bases for the relief requested in the Motion are sections 105(a), 363, and 365 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), Bankruptcy Rules 2002, 3007, 6004, 6006, 9007, and 9014, and Local Rule 6004-1.

B. Notice of the Motion having been given to the following entities, or their counsel, if known: (i) the U.S. Trustee; (ii) the DIP Lender; (iii) the Debtors’ prepetition lenders; (iv) the Committee; (v) the Internal Revenue Service; and (vi) any parties that have requested notice in these cases pursuant to Bankruptcy Rule 2002, is sufficient in light of the circumstances and the nature of the relief requested in the Motion.

C. The Debtors have articulated good and sufficient reasons for this Court to: (i) set the Sale Hearing and approve the manner of notice of the Sale Hearing; (ii) approve the Bidding Protections; and (iii) approve the procedures for the assumption and assignment of the Assigned Contracts, including notice of proposed Cure Amounts.

D. Notice of Sale. This Order and the Sale Notice, substantially in the form attached as **Exhibit 1** to this Order, are reasonably calculated and sufficient to provide interested parties with timely and proper notice of the proposed Sale, including, without limitation: (i) the deadline

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<sup>3</sup> The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

for filing objections to the Sale and entry of the Sale Order, and the date, time, and place of the Sale Hearing; (ii) reasonably specific identification of the Seller Assets to be sold pursuant to the terms of the Purchase Agreement; (iii) a description of the Sale as being free and clear of liens, claims, encumbrances and other interests, with all such liens, claims, encumbrances and other interests attaching with the same validity and priority to the Sale proceeds; and (iv) notice of the proposed Assumption and Assignment Procedures (as provided herein), and no other or further notice of the Sale shall be required.

E. Bid Protections. The Bid Protections (i) have been negotiated by the Buyer and the Debtors and their respective advisors at arm's length and in good faith and (ii) are necessary to ensure that the Buyer will continue to pursue the Purchase Agreement and the Sale transaction contemplated thereby. The Break-Up Fee (as defined in the Purchase Agreement), to the extent payable under the Purchase Agreement, (a) (x) is an actual and necessary cost and expense of preserving the Debtors' estates within the meaning of section 503(b) of the Bankruptcy Code and (y) shall be treated as an allowed superpriority administrative expense claim against the Debtors' estates pursuant to sections 105(a), 364, 503(b), and 507(a)(2) of the Bankruptcy Code; (b) is commensurate to the real and material benefits conferred upon the Debtors' estates by the Buyer; and (c) is fair, reasonable, and appropriate, including in light of the size and nature of the Sale transaction and the efforts that have been and will be expended by the Buyer. The Bid Protections are a material inducement for, and condition of, the Buyer's execution of the Purchase Agreement.

F. Assumption and Assignment Procedures. This Order, the Assumption and Assignment Procedures set forth herein, and the Assumption and Assignment Notice substantially in the form attached as **Exhibit 2** to this Order, are reasonably calculated to provide

each Contract Party to any Contracts and/or Leases to be assumed by the Debtors and assigned to the Buyer with proper notice of the intended assumption and assignment of their Contracts and/or Leases, the procedures in connection therewith, and any Cure Amounts relating thereto.

G. Based upon the foregoing findings and conclusions, the Motion and the record before the Court with respect to the Motion, and good and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motion is granted as provided herein.

2. All objections to the relief requested in the Motion that have not been withdrawn, waived, or settled as announced to the Court at the hearing on the Motion, are overruled.

**A. Important Dates and Deadlines**

3. Sale Hearing. The Sale Hearing shall commence on **September 29, 2020, at 1:00 p.m. (Eastern Time)** before the Honorable Christopher S. Sontchi, at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 5th Floor, Wilmington, DE 19801. Following consultation with the Consultation Parties, the Debtors may adjourn the Sale Hearing without further notice other than by announcement in open Court or on the Court's calendar.

4. Sale Objection Deadline. Objections, if any, to the Sale of the Seller Assets, the Cure Amounts, or any relief requested in the Motion other than the relief granted by this Court in the Sale Procedures and Scheduling Order must be: (a) in writing; (b) signed by counsel or attested to by the objecting party; (c) in conformity with the Bankruptcy Rules and applicable local rules; (d) filed with the Clerk of the Bankruptcy Court, at 824 Market Street, 5th Floor, Wilmington, DE 19801; and (e) to be served upon the following parties (collectively, the "Objection Notice Parties") so as to be **actually received** by or before **4:00 p.m. (Eastern**

**Time) on September 22, 2020** (the “Sale Objection Deadline”): (i) co-counsel for the Debtors, (x) Paul Hastings, LLP, 71 S. Wacker Drive, Forty-Fifth Floor, Chicago, IL 60606, Attn: Chris L. Dickerson, Chrisdickerson@paulhastings.com, Brendan M. Gage, brendangage@paulhastings.com, Nathan S. Gimpel, nathangimpel@paulhastings.com, and 1117 S. California Avenue, Palo Alto, CA 94304, Attn: Todd M. Schwartz, Toddschwartz@paulhastings.com, and (y) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn: M. Blake Cleary and Jaime Luton Chapman, Mbcleary@ycst.com and JChapman@ycst.com; (ii) counsel for the Buyer, King & Spalding LLP, 1180 Peachtree Street NE, Suite 1600, Atlanta, GA 30309, Attn: W. Austin Jowers, ajowers@kslaw.com; (iii) co-counsel for the Committee, (x) Lowenstein Sandler, One Lowenstein Drive, Roseland, NJ 07068, Attn: Bruce D. Buechler, Bbuechler@lowenstein.com, and 1251 Avenue of the Americas, New York, NY 10020, Attn: Wojciech F. Jung, Wjung@lowenstein.com, and (y) Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis and Kerri Mumford, Landis@lrclaw.com and mumford@lrclaw.com; (iv) counsel for the Senior Subordinated Secured Noteholders, Montgomery McCracken Walker & Rhoades, LLP, 1105 North Market Street, Suite 1500, Wilmington, DE, 19801, Attn: Marc J. Phillips, mphilips@mmwr.com; and (v) the Office of the United States Trustee for the District of Delaware, 844 King Street, Room 2207, Lockbox 35, Wilmington, Delaware 19899-0035, Attn: Linda Casey, linda.casey@usdoj.gov (these procedures are collectively referred to as the “Sale Objection Procedures”). Each objection shall state the legal and factual basis of such objection. For the avoidance of any doubt, and subject to compliance with the Sale Objection Procedures set forth herein, nothing herein shall operate to

limit the right of any third party, including the Committee, from asserting any objection to approval of the Sale, all such objections being expressly reserved and preserved hereby.

5. Objections that do not comply with the Sale Objection Procedures and the Assigned Contract Objection Procedures may not be heard at the Sale Hearing.

**B. Bid Protections**

6. The Bid Protections are approved in their entirety. The Break-Up Fee and the Expense Reimbursement shall constitute allowed superpriority administrative expense Claims pursuant to sections 105(a), 503(b), and 507(a)(2) of the Bankruptcy Code with priority over all other administrative expenses of the kind specified in section 503(b) of the Bankruptcy Code, other than, and subject and subordinate in all respects to, the Carve Out and the DIP Obligations (each as defined in the Senior DIP Order (as defined in the Purchase Agreement)).

**C. Assumption and Assignment Procedures**

7. The following procedures regarding the assumption and assignment of the Contracts and Leases in connection with the Sale are hereby approved to the extent set forth herein, and shall govern the assumption and assignment of all Contracts and/or Leases proposed to be assumed by the Debtors pursuant to section 365(b) of the Bankruptcy Code and assigned to the Successful Bidder(s) following a sale or sales pursuant to section 365(f) of the Bankruptcy Code (as defined in the Motion, the “Assigned Contracts”).

8. On September 8, 2020, or as soon as reasonably practicable thereafter, the Debtors shall serve on all Contract Parties an Assumption and Assignment Notice substantially in the form attached hereto as **Exhibit 2**, that identifies, to the extent applicable, (i) the Contract(s) and/or Lease(s) that may be assumed by the Debtors and assigned to the Buyer; (ii) the name and address of the Contract Party thereto; (iii) notice of the proposed effective date

of the assignment (subject to the right of the Debtors and Buyer to withdraw such request for assumption and assignment of the Assigned Contract(s) prior to the Closing); (iv) the amount, if any, determined by the Debtors to be necessary to be paid to cure any applicable cure amounts, whether arising prepetition or postpetition (the “Cure Amount”); (v) the deadlines by which any such Contract Party must file an objection to the proposed assumption and assignment of any Assigned Contract; provided, however, that the presence of any Contract or Lease on an Assumption and Assignment Notice does not constitute an admission that such Contract or Lease is an executory contract or unexpired lease; and (vi) the deadline by which the Buyer must pay any and all proposed Cure Amounts and disputed Cure Amounts.

9. The Buyer may designate in writing any Contract or Lease to be assumed and assigned to it under the Purchase Agreement by the Designation Deadline of **October 15, 2020** (or such other date as shall constitute the Designation Deadline as set forth in the Purchase Agreement). The Buyer may, in its sole discretion, add or remove a Contract or Lease to be assumed and assigned to the Buyer on the Closing Date by amending the Closing Assumed Contract List until five (5) business days prior to the Closing Date. The Buyer may also, in its sole discretion, designate a Contract or Lease to be excluded or rejected by delivering written notice to the Sellers, as defined under the Purchase Agreement, until five (5) business days prior to the Closing Date.

10. All objections to the assumption and assignment of any Assigned Contract (“Assumption and Assignment Objections”), including, without limitation, any objection to the provision of adequate assurance of future performance under any Assigned Contract pursuant to section 365 of the Bankruptcy Code (“Adequate Assurance”), must: (a) comply with the Sale Objection Procedures (excluding compliance with the Sale Objection Deadline); (b) identify the

Contract(s) or Lease(s) to which the objector is party; (c) describe with particularity any cure the claimant contends is required under section 365 of the Bankruptcy Code (the "Cure Claim") and identify the basis(es) of the alleged Cure Claim under the Contract or Lease; (d) attach all documents supporting or evidencing the Cure Claim; and (e) if the response contains an objection to Adequate Assurance, state with specificity what the objecting party believes is required to provide Adequate Assurance (collectively with the Sale Objection Procedures, the "Assigned Contract Objection Procedures"). Assumption and Assignment Objections must be filed so as to be actually received no later than the Sale Objection Deadline. For the avoidance of doubt, any objection to the Debtors' proposed Cure Amount under any Assigned Contract must comply with subsections (a) through (d) of this paragraph, *provided, however*, that such objections must be filed with the Court and served on the Objection Notice Parties by the Sale Objection Deadline.

11. If no objection is timely and properly filed and served in accordance with the Assigned Contract Objection Procedures, (a) the Cure Amount set forth in the Assumption and Assignment Notice shall be controlling notwithstanding anything to the contrary in any Assigned Contract or other document and the Contract Party thereto shall be forever barred from asserting any other claim, in connection with a consummated Sale to the Buyer, against the Debtors or Buyer with respect to such Assigned Contract arising prior to the assignment thereof and (b) the Buyer's promise to perform under the Assigned Contract shall be deemed Adequate Assurance thereunder. To the extent the Debtors dispute any Cure Claim, such dispute shall be presented to the Court at the Sale Hearing, or such later date and time as the Debtors and the Contract Party may agree or the Court may order, but such dispute shall not affect in any way the effectiveness of any assumption and assignment of any Assigned Contract.



12. If at any time after the entry of this Order the Debtors identify additional prepetition executory contracts and/or unexpired leases to be assumed and assigned to the Buyer as Assigned Contracts (whether before or after closing of the Sale), the Debtors shall serve a supplemental Assumption and Assignment Notice by first-class mail, facsimile, electronic transmission (including email), or overnight mail on the Contract Party (and its attorney, if known) to each supplemental Assigned Contract at the last known address available to the Debtors by no later than fourteen (14) calendar days before the proposed effective date of the assignment. A Contract Party receiving any such supplemental Assumption and Assignment Notice shall have until the later of (a) the Sale Objection Deadline or (b) fourteen (14) calendar days from service of the supplemental Assumption and Assignment Notice to file an objection to the assumption and assignment of its Contract(s) and/or Lease(s) in accordance with the Assigned Contract Objection Procedures set forth herein.

**D. Publication Notice and Sale Notice**

13. The Publication Notice and Sale Notice are hereby approved. On or within three (3) business days following the entry of this Order, the Debtors shall cause the Sale Notice to be served on the following entities, or their counsel, if known: (i) the U.S. Trustee; (ii) the DIP Lender; (iii) the Debtors' prepetition lenders; (iv) the Committee; (v) the Internal Revenue Service; (vi) the United States Attorney for the District of Delaware; (viii) any party known or reasonably believed to have asserted any lien, claim or encumbrance or other interest in the Debtors' assets; (ix) any party known or reasonably believed to have expressed an interest in acquiring some or substantially all of the Debtors' assets; (xi) the counterparties to the Debtors' executory contracts and unexpired leases; and (xii) any parties that have requested notice in these cases pursuant to Bankruptcy Rule 2002. On or within five (5) business days following the entry

of this Order, the Debtors shall cause the Publication Notice to be published in the national edition of *USA Today* and in the *Albuquerque Journal* or other similar publications.

**E. Credit Bidding**

14. In connection with the bidding and sale process authorized herein, the Buyer shall have the right to credit bid all or a portion of the value of Buyer's claims within the meaning of section 363(k) of the Bankruptcy Code; *provided* that Buyer shall have the right to credit bid its claims only with respect to the collateral by which the Buyer's claims are secured.

**F. Miscellaneous**

15. The Debtors are authorized to take all actions necessary and appropriate to implement and effectuate the relief granted pursuant to this Order in accordance with the Motion and to expend such sums of money and do other things as may be necessary and appropriate to comply with the requirements established by this Order.

16. The Debtors are authorized to conduct the Sale without the necessity of complying with any state or local bulk transfer laws or requirements.

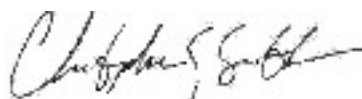
17. The Debtors shall submit to the Court the proposed Sale Order approving the Sale no less than two (2) business days prior to the Sale Hearing.

18. In the event of any conflict between this Order and the Purchase Agreement, the terms of this Order shall control.

19. Any stay of this Order, whether arising from Bankruptcy Rules 6004 and/or 6006 or otherwise, is hereby expressly waived and the terms and conditions of this Order shall be effective and enforceable immediately upon its entry.

20. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of the Bidding Procedures and this Order.

Dated: September 3rd, 2020  
Wilmington, Delaware



CHRISTOPHER S. SONTCHI  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT 1**

**SALE NOTICE**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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 In re: :  
 : Chapter 11  
 ONE AVIATION CORPORATION, *et al.*,<sup>1</sup> :  
 : Case No. 18-12309 (CSS)  
 :  
 Debtors. : Jointly Administered  
 -----X

**NOTICE OF SALE HEARING  
IN CONNECTION WITH THE SALE OF ASSETS OF ONE AVIATION**

**PLEASE TAKE NOTICE** that on August 28, 2020, ONE Aviation Corporation and its affiliated debtors as debtors in possession in the above-captioned cases (collectively, the “Debtors”) entered into an Asset Purchase Agreement (the “Purchase Agreement”) with SEF OA LLC, a Delaware limited liability company (the “Buyer”), as more fully set forth in the *Debtors’ Motion for Entry of: (A) Order (I) Approving Form and Manner of Notice in Connection With Sale of Assets of the Debtors, (II) Scheduling Sale Hearing, (III) Approving Bid Protections, (IV) Authorizing Procedures Governing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (V) Granting Related Relief; and (B) Order (I) Approving Purchase Agreement, (II) Authorizing Sale Free and Clear of All Liens, Claims, Encumbrances, and Other Interests, and (III) Granting Related Relief* filed with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) on August 28, 2020 [Docket No. 878] (the “Motion”). The debtors seek to sell all or substantially all of the Debtors’ assets (collectively, the “Seller Assets”) to the Buyer free and clear of Liens or encumbrances as set forth in the Purchase Agreement pursuant to section 363 of the Bankruptcy Code.

**PLEASE TAKE FURTHER NOTICE** that on [September 3], 2020, the Bankruptcy Court entered an order [Docket No. \_\_\_\_\_] (the “Sale Procedures and Scheduling Order”),<sup>2</sup> which, among other things, set the key dates, times, and procedures related to the sale pursuant to the terms outlined in the Motion.

**PLEASE TAKE FURTHER NOTICE THAT** objections, if any, to the Motion, shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of Practice and Procedure for the United States Bankruptcy Court for the District of Delaware, shall set forth the name of the objecting party, the nature and amount of any claims or interests held or asserted against the Debtors’ estate or properties, the basis for the objection, and the specific grounds therefore and shall be filed with the Bankruptcy Court and served upon the following **so that they are actually received by no later than 4:00 p.m. (prevailing Eastern time) on September 22, 2020** (the “Sale Objection Deadline”): (i) co-counsel for the Debtors, (x) Paul Hastings, LLP, 71 S. Wacker Drive, Forty-Fifth Floor, Chicago, IL 60606, Attn: Chris L. Dickerson, [Chrisdickerson@paulhastings.com](mailto:Chrisdickerson@paulhastings.com), Brendan M. Gage, [brendangage@paulhastings.com](mailto:brendangage@paulhastings.com), Nathan S. Gimpel, [nathangimpel@paulhastings.com](mailto:nathangimpel@paulhastings.com), and 1117 S. California Avenue, Palo Alto, CA 94304, Attn: Todd M. Schwartz, [Toddschwartz@paulhastings.com](mailto:Toddschwartz@paulhastings.com), and (y) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn: M. Blake Cleary and Jaime Luton Chapman, [Mbcleary@ycst.com](mailto:Mbcleary@ycst.com) and [JChapman@ycst.com](mailto:JChapman@ycst.com); (ii) counsel for the Buyer, King & Spalding LLP, 1180 Peachtree Street NE, Suite 1600, Atlanta, GA 30309, Attn: W. Austin Jowers, [ajowers@kslaw.com](mailto:ajowers@kslaw.com); (iii) co-counsel for the Committee, (x) Lowenstein Sandler, One Lowenstein Drive, Roseland, NJ 07068, Attn: Bruce D. Buechler,

<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each debtor’s tax identification number, as applicable, are: ONE Aviation Corporation (9649); ACC Manufacturing, Inc. (1364); Aircraft Design Company (1364); Brigadoon Aircraft Maintenance, LLC (9000); DR Management, LLC (8703); Eclipse Aerospace, Inc. (9000); Innovatus Holding Company (9129); Kestrel Aircraft Company, Inc. (2053); Kestrel Brunswick Corporation (6741); Kestrel Manufacturing, LLC (1810); Kestrel Tooling Company (9439); and OAC Management, Inc. (9986). The debtors’ corporate headquarters is located at 3520 Spirit Drive SE, Albuquerque, NM 87106.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Sale Procedures and Scheduling Order.

Bbuechler@lowenstein.com, and 1251 Avenue of the Americas, New York, NY 10020, Attn: Wojciech F. Jung, Wjung@lowenstein.com, and (y) Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis and Kerri Mumford, Landis@lrclaw.com and mumford@lrclaw.com; (iv) counsel for the Senior Subordinated Secured Noteholders, Montgomery McCracken Walker & Rhoades, LLP, 1105 North Market Street, Suite 1500, Wilmington, DE, 19801, Attn: Marc J. Phillips, mphilips@mmwr.com; and (v) the Office of the United States Trustee for the District of Delaware, 844 King Street, Room 2207, Lockbox 35, Wilmington, Delaware 19899-0035, Attn: Linda Casey, linda.casey@usdoj.gov.

**PLEASE TAKE FURTHER NOTICE** any objection that does not comply with the Sale Objection Procedures and the Assigned Contract Objection Procedures may not be heard at the Sale Hearing.

**PLEASE TAKE FURTHER NOTICE** that the Sale Procedures and Scheduling Order provides that a hearing to approve the sale of the Seller Assets to the Buyer (the “Sale Hearing”), and approve the other relief requested in the Motion, is scheduled to take place on **September 29, 2020 at 1:00 p.m. (prevailing Eastern Time)** before the Honorable Christopher S. Sontchi, at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 5th Floor, Wilmington, DE 19801, or as soon thereafter as counsel may be heard.

For ease of reference, the following chart has been included to summarize key dates relevant to this notice:<sup>3</sup>

<u>Key Events and Deadlines</u>	<u>Date</u>
<b>Sale Objection Deadline</b> (including the deadline to object to assumption and assignment of Contracts and Leases)	September 22, 2020 at 4:00 p.m. (ET)
<b>Sale Hearing</b>	September 29, 2020 at 1:00 p.m. (ET)

**PLEASE TAKE FURTHER NOTICE** that this Notice is subject to the full terms and conditions of the Motion and the Sale Procedures and Scheduling Order, which shall control in the event of any conflict, and the Debtors’ encourage parties in interest to review such documents in their entirety. A copy of the Motion, the Purchase Agreement, and the Sale Procedures and Scheduling Order, in addition to any related documents that may be filed, may be obtained by accessing (a) the website of the Debtors’ notice and claims agent, Epiq Corporate Restructuring, LLC, at <http://dm.epiq11.com/Oneaviation> for no charge, or (b) the Court’s internet site: <https://ecf.deb.uscourts.gov>, for a fee, through an account obtained from the PACER website at <http://pacer.psc.uscourts.gov>. The documents also may be obtained from the Debtors’ claims and notice agent, Epiq Bankruptcy Solutions, LLC at (855) 255-4838 or by visiting <http://dm.epiq11.com/Oneaviation>.

**CONSEQUENCES OF FAILING TO TIMELY FILE AND SERVE AN OBJECTION**

**ANY PARTY OR ENTITY WHO FAILS TO TIMELY FILE AND SERVE AN OBJECTION TO THE SALE ON OR BEFORE THE SALE OBJECTION DEADLINE IN ACCORDANCE WITH THE SALE PROCEDURES AND SCHEDULING ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE SELLER ASSETS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS AFFECTED THEREUNDER.**

<sup>3</sup> All dates, times, and deadlines are subject to change or modification in accordance with the Sale Procedures and Scheduling Order. Please see the Sale Procedures and Scheduling Order for additional information.

**NO SUCCESSOR OR TRANSFEREE LIABILITY**

The proposed Sale Order provides that the Buyer in the Sale will have no responsibility for, and the assets will be sold free and clear of, any successor liability, including the following:

The Buyer shall not be deemed, as a result of any action taken in connection with the Purchase Agreement, the consummation of the Transactions (as defined in the Sale Order) contemplated by the Purchase Agreement, or the transfer or operation of the Seller Assets, to (a) be a legal successor, or otherwise be deemed a successor to the Debtors (other than, for the Buyer, with respect to any obligations as an assignee under the Assigned Agreements arising after the Closing); (b) have, de facto or otherwise, merged with or into the Debtors; or (c) be an alter ego or mere continuation or substantial continuation of the Debtors including, without limitation, within the meaning of any foreign, federal, state or local revenue law, pension law, the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the WARN Act (29 U.S.C. §§ 2101 et seq., the Comprehensive Environmental Response Compensation and Liability Act (“**CERCLA**”), the Fair Labor Standard Act, Title VII of the Civil Rights Act of 1964 (as amended), the Age Discrimination and Employment Act of 1967 (as amended), the Federal Rehabilitation Act of 1973 (as amended), the National Labor Relations Act, 29 U.S.C. § 151, et seq., environmental liabilities, debts, claims or obligations arising from conditions first existing on or prior to Closing (including, without limitation, the presence of hazardous, toxic, polluting, or contaminating substances or wastes), which may be asserted on any basis, including, without limitation, under CERCLA, any liabilities, debts or obligations of or required to be paid by the Debtors for any taxes of any kind for any period, labor, employment, or other law, rule or regulation (including without limitation filing requirements under any such laws, rules or regulations), or under any products liability law or doctrine with respect to the Debtors’ liability under such law, rule or regulation or doctrine. Other than as expressly set forth in the Purchase Agreement with respect to Assumed Liabilities, the Buyer shall not have any responsibility for (a) any liability or other obligation of the Debtors or related to the Seller Assets or (b) any remaining Claims (as defined in the Sale Order) against the Debtors or any of their predecessors or affiliates. The Buyer shall have no liability whatsoever with respect to the Debtors’ (or their predecessors’ or affiliates’) respective businesses or operations or any of the Debtors’ (or their predecessors’ or affiliates’) obligations based, in whole or part, directly or indirectly, on any theory of successor or vicarious liability of any kind or character, or based upon any theory of antitrust, environmental, successor or transferee liability, *de facto* merger or substantial continuity, labor and employment or products liability, whether known or unknown as of the Closing, now existing or hereafter arising, asserted or unasserted, fixed or contingent, liquidated or unliquidated, including liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to the operation of the Seller Assets prior to the Closing.

Dated: [\_\_\_\_], 2020  
Wilmington, Delaware

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Robert S. Brady (No. 2847)  
M. Blake Cleary (No. 3614)  
Sean M. Beach (No. 4070)  
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- and -

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Brendan M. Gage (admitted *pro hac vice*)  
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*Counsel for the Debtors and Debtors in Possession*



**EXHIBIT 2**

**ASSUMPTION AND ASSIGNMENT NOTICE**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

-----X  
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 In re: : Chapter 11  
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 ONE AVIATION CORPORATION, *et al.*,<sup>1</sup> : Case No. 18-12309 (CSS)  
 :  
 :  
 Debtors. : Jointly Administered  
 :  
 :  
 -----X

**NOTICE TO COUNTERPARTIES TO EXECUTORY CONTRACTS AND  
UNEXPIRED LEASES ONE AVIATION MAY ASSUME AND ASSIGN**

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**PLEASE TAKE NOTICE** that on August 28, 2020, ONE Aviation Corporation and its affiliated debtors as debtors in possession in the above-captioned cases (collectively, the “Debtors”) entered into an Asset Purchase Agreement (the “Purchase Agreement”) with SEF OA LLC, a Delaware limited liability company (the “Buyer”), as more fully set forth in the *Debtors’ Motion for Entry of: (A) Order (I) Approving Form and Manner of Notice in Connection With Sale of Assets of the Debtors, (II) Scheduling Sale Hearing, (III) Approving Bid Protections, (IV) Authorizing Procedures Governing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (V) Granting Related Relief; and (B) Order (I) Approving Purchase Agreement, (II) Authorizing Sale Free and Clear of All Liens, Claims, Encumbrances, and Other Interests, and (III) Granting Related Relief* filed with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) on August 28, 2020 [Docket No. 878] (the “Motion”). The debtors seek to sell all or substantially all of the Debtors’ assets (collectively, the “Seller Assets”) to the Buyer free and clear of Liens or encumbrances as set forth in the Purchase Agreement pursuant to section 363 of the Bankruptcy Code.

**PLEASE TAKE FURTHER NOTICE** that on [September 3], 2020, the Bankruptcy Court entered an order [Docket No. \_\_\_\_\_] (the “Sale Procedures and Scheduling Order”),<sup>2</sup> which, among other things, set the key dates, times, and procedures related to the sale pursuant to the terms outlined in the Motion, including the procedures for assumption and assignment of executory contracts and unexpired leases.

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<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each debtor’s tax identification number, as applicable, are: ONE Aviation Corporation (9649); ACC Manufacturing, Inc. (1364); Aircraft Design Company (1364); Brigadoon Aircraft Maintenance, LLC (9000); DR Management, LLC (8703); Eclipse Aerospace, Inc. (9000); Innovatus Holding Company (9129); Kestrel Aircraft Company, Inc. (2053); Kestrel Brunswick Corporation (6741); Kestrel Manufacturing, LLC (1810); Kestrel Tooling Company (9439); and OAC Management, Inc. (9986). The debtors’ corporate headquarters is located at 3520 Spirit Drive SE, Albuquerque, NM 87106.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Sale Procedures and Scheduling Order.

**YOU ARE RECEIVING THIS NOTICE BECAUSE YOU OR ONE OF YOUR AFFILIATES IS A COUNTERPARTY (A “CONTRACT PARTY”) TO ONE OR MORE CONTRACTS OR LEASES THAT MAY BE EXECUTORY CONTRACTS OR UNEXPIRED LEASES WITH ONE OR MORE OF THE DEBTORS AS SET FORTH ON EXHIBIT A ATTACHED HERETO.<sup>3</sup>**

**PLEASE TAKE FURTHER NOTICE** that pursuant to the Sale Procedures and Scheduling Order, the Debtors **may** assume and assign to the Buyer the executory contract(s) or unexpired lease(s) listed on **Exhibit A** attached hereto (each, as applicable, a “Contract” or “Lease” and, collectively, the “Contracts and Leases”) to which you are a counterparty. The Debtors have conducted a review of their books and records and have determined that the cure amount for unpaid monetary obligations under such Contract(s) or Lease(s) is as set forth on **Exhibit A** attached hereto (the “Cure Amount”). **If you object to the proposed assumption and assignment of any of the Contract(s) or Lease(s), including the proposed Cure Amount of any Contract(s) or Lease(s) or the Buyer’s ability to provide adequate assurance of future performance with respect to any Contract(s) or Lease(s), you must file an objection with the Bankruptcy Court no later than 4:00 p.m. (prevailing Eastern Time) on September 22, 2020, (the “Sale Objection Deadline”). All objections must be served so as to be received at the applicable deadline by: (i) co-counsel for the Debtors, (x) Paul Hastings, LLP, 71 S. Wacker Drive, Forty-Fifth Floor, Chicago, IL 60606, Attn: Chris L. Dickerson, [Chrisdickerson@paulhastings.com](mailto:Chrisdickerson@paulhastings.com), Brendan M. Gage, [brendangage@paulhastings.com](mailto:brendangage@paulhastings.com), Nathan S. Gimpel, [nathangimpel@paulhastings.com](mailto:nathangimpel@paulhastings.com), and 1117 S. California Avenue, Palo Alto, CA 94304, Attn: Todd M. Schwartz, [Toddschwartz@paulhastings.com](mailto:Toddschwartz@paulhastings.com), and (y) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn: M. Blake Cleary and Jaime Luton Chapman, [Mbcleary@ycst.com](mailto:Mbcleary@ycst.com) and [JChapman@ycst.com](mailto:JChapman@ycst.com); (ii) counsel for the Buyer, King & Spalding LLP, 1180 Peachtree Street NE, Suite 1600, Atlanta, GA 30309, Attn: W. Austin Jowers, [ajowers@kslaw.com](mailto:ajowers@kslaw.com); (iii) co-counsel for the Committee, (x) Lowenstein Sandler, One Lowenstein Drive, Roseland, NJ 07068, Attn: Bruce D. Buechler, [Bbuechler@lowenstein.com](mailto:Bbuechler@lowenstein.com), and 1251 Avenue of the Americas, New York, NY 10020, Attn: Wojciech F. Jung, [Wjung@lowenstein.com](mailto:Wjung@lowenstein.com), and (y) Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis and Kerri Mumford, [Landis@lrclaw.com](mailto:Landis@lrclaw.com) and [mumford@lrclaw.com](mailto:mumford@lrclaw.com); (iv) counsel for the Senior Subordinated Secured Noteholders, Montgomery McCracken Walker & Rhoades, LLP, 1105 North Market Street, Suite 1500, Wilmington, DE, 19801, Attn: Marc J. Phillips, [mphillips@mmwr.com](mailto:mphillips@mmwr.com); and (v) the Office of the United States Trustee for the District of Delaware, 844 King Street, Room 2207, Lockbox 35, Wilmington, Delaware 19899-0035, Attn: Linda Casey, [linda.casey@usdoj.gov](mailto:linda.casey@usdoj.gov).**

**PLEASE TAKE FURTHER NOTICE** that the Debtors propose that if no objection to the Cure Amount(s) is filed by the Sale Objection Deadline, (i) you will be deemed to have agreed and stipulated that the Cure Amount(s) as determined by the Debtors is correct, and (ii) you shall be forever barred, estopped, and enjoined from asserting any additional cure amount under the Assigned Contract(s).

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<sup>3</sup> This Notice is being sent to counterparties to contracts and leases that may be executory contracts and unexpired leases. This notice is *not* an admission by the Debtors that such contract or lease is executory or unexpired

**PLEASE TAKE FURTHER NOTICE** that the Debtors propose that if no objection to the proposed assumption and assignment of certain contracts and leases to the Buyer (the “Assigned Contracts”) or to the Buyer’s ability to provide adequate assurance of future performance is filed by the Sale Objection Deadline, you will be forever barred from objecting to the assumption and assignment of the Assigned Contract(s) to the Buyers or to the Buyer’s adequate assurance of future performance.

**PLEASE TAKE FURTHER NOTICE** that with respect to any Assigned Contract assumed and assigned to the Buyer, all Cure Amounts shall be satisfied by payment of the Cure Amounts on the Closing Date (as defined in the Purchase Agreement) or on such other terms as the parties to each such Assigned Contract may otherwise agree without any further notice to or action, order or approval of the Bankruptcy Court. In addition, the assumption and assignment of each such Assigned Contract may be conditioned upon the disposition of all issues with respect to such Assigned Contract.

**PLEASE TAKE FURTHER NOTICE THAT** pursuant to the Sale Procedures and Scheduling Order, with respect to any Contract or Lease, in the event of a timely filed objection and dispute regarding: (a) any Cure Amount with respect to any of the Contracts or Leases; (b) the ability of the Buyer to provide adequate assurance of future performance as required by section 365 of the Bankruptcy Code, if applicable, under an Assigned Contract; or (c) any other matter pertaining to assumption and assignment, the Cure Amount shall be paid as soon as reasonably practicable and following the entry of a final order resolving the dispute and approving the assumption and assignment of such Assigned Contract; *provided, however*, that the Debtors are authorized to settle any dispute regarding the amount of any Cure Amount or assumption and assignment to the Buyer without any further notice to or action, order or approval of the Court.

**PLEASE TAKE FURTHER NOTICE THAT** pursuant to the Sale Procedures and Scheduling Order, the Buyer may designate in writing any Contract or Lease to be assumed and assigned to it under the Purchase Agreement by the Designation Deadline. The Buyer may add or remove any Contract or Lease to be assumed and assigned or excluded and rejected by amending the Closing Assumed Contract List, as defined under the Purchase Agreement, up until five (5) business days prior to the Closing Date. At the Closing, the Buyer shall pay any proposed Cure Amounts associated with the assumption and assignment of an Assigned Contract. The Buyer shall pay any disputed Cure Amounts as soon as practicable after the entry of an order of the Court resolving such dispute or pursuant to mutual agreement with the applicable Contract Party and entry of an order of the Court regarding the same. Further, no later than **October 15, 2020** (or such other date as shall constitute the Designation Deadline as set forth in Section 1.1(tt) of the Purchase Agreement), the Buyer may designate additional Contracts or Leases, which had not previously been designated for assumption and assignment, to be assumed and assigned to the Buyer or other Successful Bidder notwithstanding the occurrence of the Closing. The Buyer or other Successful Bidder shall pay any proposed Cure Amounts associated with the assumption and assignment of such additional Contracts or Leases on the earlier of the Closing Date or entry of an order of the Court regarding the effectiveness of such assumption and assignment or resolving any dispute over Cure Amounts, or pursuant to mutual agreement with the applicable Contract Party and entry of an order of the Court regarding the same.

**PLEASE TAKE FURTHER NOTICE THAT** notwithstanding anything herein, this Notice shall not be deemed to be an assumption, assignment, adoption, rejection, or termination

of any of the Assigned Contracts. Moreover, the Debtors explicitly reserve their rights, in their sole discretion, to reject or assume each Assigned Contract pursuant to section 365(a) of the Bankruptcy Code and nothing herein (a) alters in any way the prepetition nature of the Assigned Contracts or the validity, priority, or amount of any claims of a counterparty to an Assigned Contract against the Debtors that may arise under such Assigned Contract, (b) creates a postpetition contract or agreement, or (c) elevates to administrative expense priority any claims of an counterparty to an Assigned Contract against the Debtors that may arise under such Assigned Contract.

Dated: [\_\_\_\_\_] , 2020  
Wilmington, Delaware

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**EXHIBIT A TO ASSUMPTION AND ASSIGNMENT NOTICE**

<b>Counterparty Name</b>	<b>Counterparty Address</b>	<b>Contract/Lease</b>	<b>Cure Amount</b>