

**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 THE DEBTORS (I) TO ENTER INTO
AND PERFORM UNDER CERTAIN TRANSACTION DOCUMENTS
AND OTHER AMENDMENT AGREEMENTS WITH
MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED,
PAAL CETUS COMPANY LIMITED, AND CLOVER AIRCRAFT
LEASING COMPANY LIMITED RELATED TO CERTAIN
SALE-LEASEBACK AGREEMENTS AND (II) TO ASSUME
CERTAIN AGREEMENTS IN CONNECTION THEREWITH**

Upon the motion (the “**Motion**”)² of Grupo Aeroméxico, S.A.B. de C.V. and its affiliates that are debtors and debtors in possession in these cases (collectively, the “**Debtors**”) for entry of an order (this “**Order**”) seeking authorization, pursuant to sections 105, 362, 363, 365, 503, 1107 and 1108 and other applicable sections of the title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “**Bankruptcy Code**”), and Rules 6004 and 6006 of the Federal Rules of Bankruptcy Procedure, for Aerovías de México, S.A. de C.V. (“**Aerovías**” or “**Lessee Debtor**”) to, among other things: (a) enter into and perform under (i) that certain amendment (the “**IPA Amendment**”) to the Installment Purchase Agreement dated as of October 27, 2017 (the “**IPA**”) among Mexican

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 such terms in the Motion.

Dragon Aircraft Holdings Limited (“**Mexican Dragon**”), as seller, Aerovías, as seller guarantor, and PAAL Cetus Company Limited, as purchaser (the “**Purchaser**”), and Clover Aircraft Leasing Company Limited (formerly known as Pin An Aircraft Leasing Company) (“**Purchaser Guarantor**”), and (ii) the other Amendment Documents (as defined in the IPA Amendment) including, without limitation, the APA Amendment, the Purchase Agreement Assignment, the Reassignment Agreement, the Agency Agreement Amendment, the Consent Amendment, the Keep Well Agreement, the Deed of Confirmation, the Lease Amendment Agreements, the New Leases and the New Lease Guarantees (each as defined in the IPA Amendment); (b) assume (i) the IPA and perform under the guarantee by Aerovías of Seller Obligations (as defined therein) (the “**Seller Guarantee**”), (ii) the aircraft lease agreements for three model MAX737-8 aircraft (the “**Original Leases**”), which were delivered prior to the Petition Date, and the related engines, parts, equipment, and appurtenances (the “**Delivered Aircraft**”), (iii) the Purchase Agreement Assignment, dated October 27, 2017, between Aerovías and Mexican Dragon and consented to by Boeing, and (iv) all of the other Transaction Documents including, without limitation, the Manufacturer Consent, the Note Subscription Agreement, the BFE Sale Agreement, and the Seller Agency Agreement (each as defined in the IPA) and in each case as amended by the Amendment Documents; (c) assume that certain Guarantee to The Boeing Company (“**Boeing**”) dated October 27, 2017 (the “**Boeing Guarantee**”) of the obligations of Mexican Dragon under that certain Purchase Agreement No. PA-03813 dated November 5, 2012 between Aerovías and Boeing, incorporating the terms of the Aircraft General Terms Agreement No. AGTA-AMX (the “**Aerovías Purchase Agreement**”) as assigned to Mexican Dragon pursuant to the Purchase Agreement Assignment (the Aerovías Purchase Agreement as so assigned the “**Assigned Purchase Agreement**”); and (d) take all steps necessary, advisable or desirable to implement and

effectuate the transactions relating to each of the foregoing including, without limitation, (i) amending the purchase prices, the scheduled delivery months and termination rights in respect of the one (1) Boeing model MAX737-8 aircraft and six (6) Boeing model MAX737-9 aircraft (collectively, the “**Original Clover Aircraft**”) subject to the Assigned Purchase Agreement (ii) substituting one (1) Boeing Model MAX737-9 aircraft (the “**Additional Aircraft**”) for two (2) Boeing Model MAX737-9 aircraft (the “**Replaced Aircraft**” and the Original Clover Aircraft taking into account such substitutions, the “**Clover Aircraft**”), (iii) terminating Mexican Dragon’s obligation to purchase one (1) Replaced Aircraft, (iv) reassigning to Aerovías the rights and obligations to purchase from Boeing one (1) Replaced Aircraft, and (v) entering into the New Leases between [Miracle Andromeda Company Limited], as lessor (the “**SLB Lessor**”) and Aerovías, as lessee, in respect of the Clover Aircraft and New Lease Guarantees made by Purchaser Guarantor in favor of Aerovías in respect of each SLB Lease (all of the foregoing (a) to (d), collectively, the “**Clover Transactions**”), 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 being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the Notice Parties, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion and held a hearing (the “**Hearing**”) to consider the relief requested in the Motion; and upon the record of the Hearing; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and the Court having determined the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors and all

parties in interest; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

A. GENERAL MATTERS.

1. The Debtors are hereby authorized pursuant to sections 105(a) and 363 of the Bankruptcy Code to execute and deliver, and empowered to perform under, consummate and implement, as applicable, the IPA, IPA Amendment, the Seller Guarantee, the Boeing Guarantee, the Original Leases, the Lease Amendment Agreements, the New Leases, the New Lease Guarantees, the other Amendment Documents, and the Transaction Documents, in each case as amended by the Amendment Documents, and all other documents referenced therein and any and all additional instruments, documents, and agreements that may be reasonably necessary, advisable or desirable to implement the Clover Transactions (collectively, the “**Clover Transaction Documents**”). The Debtors are hereby further authorized to take all further actions as may be necessary or appropriate to the performance of the obligations as contemplated by the Clover Transaction Documents.

B. PURCHASE OF CLOVER AIRCRAFT FROM BOEING.

2. The Debtors are hereby authorized pursuant to sections 105(a) and 363 of the Bankruptcy Code to execute and deliver, and empowered to perform under, consummate and implement the Assigned Purchase Agreement, the APA Amendment, the New Purchase Agreement Assignment, and the Reassignment Agreement, in each case as amended by the Amendment Documents, and all other documents referenced therein and any and all additional instruments, documents, and agreements that may be reasonably necessary, advisable or desirable to effectuate the delivery of the Clover Aircraft to the Purchaser from Boeing, including, but not

limited to, the remittance of all amounts owing in connection with the purchase of the Clover Aircraft from Boeing.

C. CONTEMPLATED SALE LEASEBACK TRANSACTION.

3. Pursuant to sections 105(a), 363(b) and 365(a) of the Bankruptcy Code, the Debtors are hereby authorized to enter into and assume, as applicable, certain agreements (including, without limitation, the Clover Transaction Documents), and to perform obligations under and comply with the terms of such agreements (including, without limitation, the Clover Transaction Documents) with the Purchaser and the Purchaser Guarantor related to (i) the sale of the Clover Aircraft (as contemplated in the applicable Clover Transaction Documents) to the Purchaser, in accordance with the IPA and IPA Amendment, and (ii) the lease back of the Clover Aircraft by the Lessee Debtor from the SLB Lessor in accordance with the New Leases (as further specified below, such sale leaseback transactions, the “**Sale Leaseback Transactions**”).

(1) SALE OF CLOVER AIRCRAFT TO THE PURCHASER

4. The Lessee Debtor is hereby authorized, pursuant to sections 105(a), 363(b) and 365(a) of the Bankruptcy Code, to enter into and assume the IPA, the IPA Amendment and Seller Guarantee, to enter into and/or assume the related Assigned Purchase Agreement, the APA Amendment, and the New Purchase Agreement Assignment and to perform its obligations under and comply with the terms of the IPA, the IPA Amendment, the Seller Guarantee and the other applicable Clover Transaction Documents, in connection with the sale of each of the Clover Aircraft to the Purchaser, and the leaseback of each of the Clover Aircraft by the Lessee Debtor from the SLB Lessor.

5. Pursuant to sections 105(a), 363(b) and 363(f) of the Bankruptcy Code, the Debtors are authorized to: (i) close the transactions contemplated in the IPA, IPA Amendment, Assigned Purchase Agreement and APA Amendment for the sale, transfer, and conveyance of the Clover

Aircraft free and clear of all liens, claims, interest, and encumbrances, and (ii) undertake all of the transactions contemplated thereby in connection therewith, including (but not limited to) the preparation, execution, filing, or delivery of any documents, deeds, assignments, or other instruments in furtherance of the foregoing. With respect to the Purchaser and the Purchaser Guarantor, nothing herein shall limit the closing conditions specified in the IPA Amendment, the APA Amendment, and the other applicable Clover Transaction Documents.

6. The transactions contemplated by the IPA and IPA Amendment effect a legal, valid, enforceable, and effective sale and transfer of the Clover Aircraft to the Purchaser, and shall, upon closing, vest the Purchaser with all rights, title, and interests in the Clover Aircraft, free and clear of all liens, encumbrances, and interests.

7. The Purchaser, Purchaser Guarantor and the SLB Lessor are entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code, and any reversal or modification on appeal of the authorizations provided herein to consummate the sale of the Clover Aircraft shall not affect the validity of the sale of the Clover Aircraft to the Purchaser.

8. The Debtors are hereby authorized, without any further order of the Court, to make any payments and take any additional actions as necessary and appropriate to implement the IPA and the IPA Amendment and the transactions contemplated therein, and to comply with the Debtors' obligations thereunder and under the other Clover Transaction Documents.

9. The Lessee Debtor is authorized, under Section 363(b) of the Bankruptcy Code, to sell the Clover Aircraft, to the extent applicable, to the Purchaser in connection with the Sale Leaseback Transactions and to enter into, perform its obligation under, and comply with the terms of the IPA, IPA Amendment, the Seller Guarantee and the New Leases, which leases are to be entered into in connection with the closing of the Sale Leaseback Transaction for each Clover

Aircraft (it being understood that the parties shall execute one lease for each Clover Aircraft) in order to: (a) effectuate the sale of the Clover Aircraft from Boeing to the Purchaser; (b) execute the FAA bill of sale and the warranty bill of sale for the Clover Aircraft in favor of the Purchaser or its nominee; and (c) consummate the sale and transfer of title of the Clover Aircraft to the Purchaser pursuant to and in accordance with the terms and conditions of the IPA and IPA Amendment.

10. The failure to include or reference any term of the IPA, the IPA Amendment or other Clover Transaction Documents in this Order shall not diminish or impair the effectiveness of such provisions of the IPA, the IPA Amendment or of any other Clover Transaction Documents, which are hereby approved and enforceable in their entirety.

(2) LEASEBACK OF CLOVER AIRCRAFT BY THE LESSEE DEBTOR FROM THE SLB LESSOR.

11. In connection with the Sale Leaseback Transactions, the Lessee Debtor is also authorized, pursuant to sections 105(a), 363(b) and 365(a) of the Bankruptcy Code, to enter into or assume, as applicable, perform its obligations under, and comply with the terms of the following agreements, which are to be entered into in connection with the closing of the Sale Leaseback Transactions for each Clover Aircraft in order to effectuate the leaseback of each Clover Aircraft by the Lessee Debtor from the SLB Lessor, as the case may be:

- The New Lease for each Clover Aircraft;
- The related lease supplements between the Lessee Debtor and the applicable SLB Lessor; and
- Each other related Clover Transaction Document,

in each case in connection with the leaseback of each of the Clover Aircraft by the Lessee Debtor, as lessee, from the Purchaser, acting through the SLB Lessor as its nominee.

12. The transactions contemplated by the New Leases and each other related Clover Transaction Document effect a legal, valid, enforceable, and effective leasing arrangement for the Clover Aircraft from the Purchaser, acting through the SLB Lessor, as lessor, to the Lessee Debtor, as lessee.

13. The Purchaser and the applicable SLB Lessor are entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code, and any reversal or modification on appeal of the authorization provided herein to consummate each of the leases of the Clover Aircraft shall not affect the validity of the leasing of the Clover Aircraft from the Purchaser, acting through the relevant SLB Lessor, to the Lessee Debtor.

14. The Debtors are hereby authorized without any further order of the Court to pay and take any additional actions as necessary and appropriate to implement the New Leases and the transactions contemplated therein, and to comply with the Debtors' obligations thereunder and under the other Clover Transaction Documents.

15. The Lessee Debtor is authorized, under Section 363(b) of the Bankruptcy Code, to lease the Clover Aircraft from the Purchaser (acting through the SLB Lessor) in connection with the Sale Leaseback Transactions and to enter into, perform its obligations under, and comply with the terms of the New Leases, which leases are to be entered into in connection with the closing of the Sale Leaseback Transaction for each Clover Aircraft (it being understood that the parties shall execute one lease for each Clover Aircraft).

16. The failure to include or reference any term of the New Leases or other Clover Transaction Documents in this Order shall not diminish or impair the effectiveness of such provisions of the New Leases or of any other Clover Transaction Document which shall be approved and enforceable in their entirety.

D. Assumption of Original Leases

17. In connection with the lease of the Delivered Aircraft, the Lessee Debtor is hereby authorized pursuant to sections 105(a), 363(b) and 365(a) of the Bankruptcy Code, to enter into or assume, as applicable, perform its obligations under, and comply with the terms of the Original Leases (as amended by the Lease Amendment Agreements), and the Lease Amendment Agreements, and all other related Clover Transaction Documents which are to be entered into in connection with the lease of the Delivered Aircraft in order to effectuate the lease of the Delivered Aircraft by the Lessee Debtor from the lessor-affiliates of the Purchaser under the Original Leases (the "**Original Lessors**").

18. The terms of the Original Leases, and the Lessee Debtor's entry into such additional instruments and documents, including, without limitation, all applicable amendments to the Original Leases, as amended by the Lease Amendment Agreements, and the Lessee Debtor's taking of such additional actions as necessary or appropriate to cause the implementation and consummation of the assumption of the Original Leases, are hereby approved under sections 363(b) of the Bankruptcy Code and the Lessee Debtor is authorized to lease the Delivered Aircraft and to enter into, perform its obligations under, and comply with the terms of the Original Leases, as amended by the Lease Amendment Agreements.

19. The failure to include or reference any term of the Original Leases, the Lease Amendment Agreements or other Clover Transaction Documents in this Order shall not diminish or impair the effectiveness of such provisions of the Original Leases (as amended by the Lease Amendment Agreements) or of any other Clover Transaction Document which shall be approved and enforceable in their entirety.

20. The transactions contemplated by the Original Leases (as amended by the Lease Amendment Agreements) and each other related Clover Transaction Document effect a legal, valid, enforceable, and effective leasing arrangement for the Delivered Aircraft from the Purchaser, acting through its affiliates, as lessors, to the Lessee Debtor, as lessee.

E. ADDITIONAL PROVISIONS.

21. The obligations of the Debtors under the Clover Transaction Documents (including, without limitation, the IPA, IPA Amendment, the Seller Guarantee, the Boeing Guarantee, the Original Leases (as Amended by the Lease Amendment Agreements), the Lease Amendment Agreements, the New Leases, and the New Lease Guarantees) and the *Stipulation and Order Between Certain Debtors and Counterparties Concerning Certain Equipment* [ECF No. 411] shall constitute administrative expense claims against the Debtors' estates pursuant to section 503 of the Bankruptcy Code. Any chapter 11 plan of reorganization filed by the Debtors in these chapter 11 cases shall provide that the obligations of the Debtors under the Clover Transaction Documents (including, without limitation, the IPA, IPA Amendment, the Seller Guarantee, the Boeing Guarantee, the Original Leases (as Amended by the Lease Amendment Agreements), the Lease Amendment Agreements, the New Leases, and the New Lease Guarantees) shall be binding upon and constitute obligations of the reorganized Debtors or any successor entity.

22. The Debtors are hereby further authorized to take all further actions as may be reasonably requested by the Purchaser, the Purchaser Guarantor, the Original Lessors or the SLB Lessor (and agreed to by the Lessee Debtor) as may be necessary or appropriate to the performance of the obligations as contemplated by the Clover Transaction Documents including, without limitation, for the purpose of assigning, transferring, granting, conveying, and conferring to the SLB Lessor, or reducing to possession, any of the Clover Aircraft, and the Purchaser, the Purchaser

Guarantor, the Original Lessors and each SLB Lessor, as applicable, may enforce any of their respective rights under the Clover Transaction Documents that such party would otherwise be entitled to enforce, without further order of the Court.

23. The Clover Transaction Documents and any related agreements, documents, or other instruments may be modified, amended, or supplemented by the parties thereto in a writing signed by the parties thereto, and in accordance with the terms thereof, without further order of the Court, *provided* that any such modification, amendment, or supplement does not have a material adverse effect on the Debtors' estates.

24. Notwithstanding any provision of the Clover Transaction Documents (including, without limitation, the Amendment Documents) to the contrary, (i) the Clover Parties shall be entitled to non-priority general unsecured claims in the Aerovías chapter 11 case (or any subsequent chapter 7 case in the event of a conversion) calculated pursuant to the methodology set forth in section 4.4(d) of the IPA Amendment and subject to the rights reserved therein; and (ii) the Purchaser shall be entitled to the PDA/CDA Claim (as defined in the Amendment Documents) as a non-priority general unsecured claim in the Aerovías chapter 11 case (or any subsequent chapter 7 case in the event of a conversion), in an amount to be determined. No provision of the Clover Transaction Documents (including, without limitation, the Amendment Documents) shall prejudice, release or discharge, or be used as a defense to, or otherwise adversely affect, any claim of such parties made in the chapter 11 cases consistent with the terms of this paragraph or any claim filed prior to the date hereof. The Original Lessors, the Purchaser, or other Clover Parties, as applicable, shall file proofs of claim in respect of the claims set forth in subsections (i) and (ii) of this paragraph, respectively, within 30 days following entry of this Order. All parties rights are reserved with respect to the amounts of such claims. Any chapter 11 plan of reorganization filed

by the Debtors shall afford such claims treatment not less than the treatment given to the non-priority unsecured claims of any other aircraft or engine lessor or pre-delivery payment counterparty.

25. The automatic stay under section 362 of the Bankruptcy Code is hereby vacated and modified to the extent necessary to implement the Sale Leaseback Transactions and the Clover Transactions terms and effectuate the terms and conditions of the Clover Transaction Documents. Upon the occurrence of any Event of Default under the IPA, any New Lease or any Original Lease (in each case as amended by the Amendment Documents), the applicable lessor may file with the Court and deliver to the Debtors and the Committee a written notice (a “**Termination Notice**”) effective as of five business days after its filing and delivery (the “**Remedies Period**”). Upon the expiration of the Remedies Period, the automatic stay in the above-referenced chapter 11 cases shall be deemed lifted to permit the Purchaser, the Security Trustee, the Original Lessors or SLB Lessor, as applicable, to exercise any rights, remedies or enforcement actions provided for under such IPA, New Lease, Original Lease, and/or other Clover Transaction Document, as applicable, without need for any notice or authorization from the Court (other than as expressly provided for in IPA, the New Lease or Original Lease, as applicable); *provided, that* the Debtors or the Committee may seek an emergency hearing at which either may contest the fact that an Event of Default under the IPA, any New Lease or any Original Lease, as applicable, has occurred and is continuing. The Remedies Period shall automatically extend to the conclusion of such a hearing and the issuance of a ruling on the matters contested thereat.

26. The cure (as defined in section 365(b) of the Bankruptcy Code) due upon assumption of the Other Leases will be \$0.00.

27. This Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, their estates, and their creditors and interest holders; the Purchaser, the SLB Lessor and any of their respective affiliates, successors, and assigns; and any affected third parties, including, but not limited to, all persons asserting interests in the Clover Aircraft or the Delivered Aircraft, notwithstanding any subsequent appointment of any trustee(s) under any chapter of the Bankruptcy Code, as to which trustee(s) such terms and provisions likewise shall be binding.

28. Nothing herein or in the Clover Transaction Documents shall constitute a finding with respect to, or have any effect upon, whether the Sale Leaseback Transactions, or any other sale leaseback transaction involving the SLB Lessor, constitutes an agreement to extend “financial accommodations” within the meaning of Sections 365(c)(2) and 365(e)(2)(B) of the Bankruptcy Code, issues with respect to which no finding has been requested or made and all parties’ rights are reserved.

29. The terms and provisions of this Order shall be immediately effective and enforceable upon its entry. The effectiveness of this Order shall not be stayed pursuant to Rule 6004(h) or 6006(d) of the Federal Rules of Bankruptcy Procedure or otherwise.

30. This Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: May 5, 2021
New York, New York

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

Annex 1

Form of Lease Agreement

DATED AS OF _____, 2021

MIRACLE ANDROMEDA COMPANY LIMITED
as Lessor

and

AEROVÍAS DE MÉXICO, S.A. DE C.V.
as Lessee

FORM OF AIRCRAFT LEASE AGREEMENT
RELATING TO THE LEASING OF ONE (1) BOEING
737 MAX [8][9] MODEL AIRCRAFT
MSN [TBD]
EQUIPPED WITH TWO CFM [REDACTED] ENGINES
SCHEDULED DELIVERY MONTH: [●] 2022

CONTENTS

Clause	Page
1. Interpretation.....	1
2. Agreement to Lease	1
3. Delivery.....	1
4. Expiry Date and Renewal Option	3
5. Rent	6
6. Security Deposit.....	7
7. Payments	11
8. Lessor Covenants	14
9. Lessee Covenants.....	14
10. Possession, Subleasing and Pooling	22
11. Technical Reporting, Aircraft Documents, Inspection, Maintenance and Repair	28
12. Replacement and Interchange of Engines and Parts	30
13. Manufacturer’s Warranties	34
14. Indemnities.....	35
15. Insurance	38
16. Loss, Damage and Requisition	41
17. Disclaimers	42
18. Redelivery; Purchase Option	44
19. Events of Default	48
20. Taxation	54
21. Assignment and Transfer	60
22. Miscellaneous Provisions.....	64
23. Notices; electronic signatures	68
24. Governing Law Jurisdiction and Waiver of Jury Trial	70
Schedule 1 Definitions and Construction	76
Schedule 2 Representations and Warranties	94
Schedule 3 Conditions Precedent.....	98
Schedule 4 Financial Terms Annex (Confidential)	104
Schedule 5 Insurance Requirements	109
Schedule 6 Description of Aircraft	114
Schedule 7 Aircraft Documents at Redelivery.....	116

Schedule 8 Redelivery Conditions.....	124
Schedule 9 Form of Acceptance Certificate	129
Schedule 10 Form of Renewal Notice	134
Schedule 11 Form of Letter of Credit	136
Schedule 12 Form of Deregistration Power of Attorney	143
Schedule 13 Pre-Approved Sublessees	147
Schedule 14 Form of Redelivery Acceptance Certificate	148
Schedule 15 Form of Owner Quiet Enjoyment Letter	151
Schedule 16 Form of Technical Report	153

AIRCRAFT LEASE AGREEMENT

THIS AGREEMENT (this “**Agreement**”) is made as of _____, 2021

BETWEEN:

MIRACLE ANDROMEDA COMPANY LIMITED, a private company limited by shares incorporated in Ireland (registered no. 594504) with its registered office at 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland (“**Lessor**”); and

AEROVÍAS DE MÉXICO, S.A. DE C.V., a company organized and existing under the Laws of the United Mexican States and having its principal office at Paseo de la Reforma, No. 243, Piso 25, Colonia Cuauhtémoc, Alcaldía Cuauhtémoc, Mexico City, 06500, Mexico (“**Lessee**”).

It is agreed as follows:

1. **INTERPRETATION**

1.1 **Definitions**

In this Agreement, unless the context otherwise requires, capitalized words and expressions shall have the respective meanings given to them in Clause 1.1 of Schedule 1 (*Definitions and Construction*).

1.2 **Construction**

The conventions on construction and usage set out in Clause 1.2 of Schedule 1 (*Definitions and Construction*) shall apply to this Agreement.

1.3 **Clauses and Schedules**

References in this Agreement to clauses or schedules are, unless otherwise specified, references to clauses of and schedules to this Agreement and together the clauses and schedules shall constitute this Agreement. Certain provisions including conditions precedent and representations and warranties have been placed in the schedules and shall take effect as part of this Agreement.

2. **AGREEMENT TO LEASE**

Subject to and in accordance with the terms and conditions of this Agreement, Lessor agrees to lease the Aircraft to Lessee and Lessee agrees to take the Aircraft on lease from Lessor for the Term.

3. **DELIVERY**

3.1 **Scheduled Delivery Date**

Lessor and Lessee shall coordinate so that the delivery of the Aircraft hereunder occurs immediately after the delivery of the Aircraft to Owner under the Installment Purchase Agreement and that Delivery under this Agreement and the Installment Purchase Agreement occurs substantially simultaneously.

3.2 **Delivery and Acceptance**

Simultaneously with acceptance by Owner of delivery of the Aircraft under the Installment Purchase Agreement (which such acceptance shall be managed by and be the sole responsibility of Lessee), Lessor shall offer to deliver and Lessee shall accept delivery of the Aircraft at the Delivery Location in an "AS IS, WHERE IS" condition. If Owner is not Lessor, Owner and Lessor shall be responsible for effecting any and all necessary arrangements between Owner and Lessor so that Lessor can deliver and lease the Aircraft to Lessee in accordance with the terms of this Agreement. Lessee and Lessor shall confirm delivery acceptance of the Aircraft hereunder by execution and delivery of the Acceptance Certificate. Once the Bill of Sale has been delivered to Owner, (i) Lessor shall not be entitled for any reason whatsoever not to deliver the Aircraft to Lessee under this Agreement and the Purchaser Conditions Precedent (as defined in the Installment Purchase Agreement) and Lessor Conditions Precedent shall be deemed to be satisfied (except to the extent that Purchaser or Lessor waived or deferred any such condition in writing in accordance with the Installment Purchase Agreement and/or this Agreement), and (ii) Lessee shall not be entitled for any reason whatsoever to refuse to accept delivery of the Aircraft or any part thereof under this Agreement and the Seller Conditions Precedent (as defined in the Installment Purchase Agreement) and Lessee Conditions Precedent shall be deemed to be satisfied (except to the extent that Seller or Lessee waived or deferred any such condition in writing in accordance with the Installment Purchase Agreement and/or this Agreement). Lessee's acceptance of the Aircraft shall be absolute, unconditional and irrevocable. Lessee acknowledges that neither the Lessor nor any Affiliate thereof, nor any Financing Party shall have any responsibility whatsoever in respect of the condition of the Aircraft at Delivery. Neither Lessor, nor any Affiliate thereof, nor any Financing Party shall be liable for any Loss resulting directly or indirectly from any defect or alleged defect in the Aircraft or any failure or alleged failure of the Aircraft to comply with the Purchase and Sale Agreement or this Agreement.

If the delivery of the Aircraft is delayed or if the Aircraft is not delivered due to any event which is beyond the reasonable control of the Lessor and any such delay in delivery or failure to deliver the Aircraft is not attributable to a breach by Owner, Lessor or Purchaser, Lessor shall not be responsible for any loss, including any costs or expense arising from or in connection with the delay or failure to deliver the Aircraft which may be suffered or incurred by Lessee. If the Seller has delivered a Payment Request in respect of the Final Payment (as such terms are defined in the Installment Purchase Agreement) and delivery of the Aircraft is thereafter delayed beyond the Payment Date (as defined in such Payment Request) or terminated, Lessee shall indemnify and hold harmless Lessor, within three (3) Business Days of written demand by Lessor, against any and all Breakage Costs as a result of such late or non-delivery of the Aircraft or the termination of this Agreement prior to delivery; provided that Lessee shall have no obligation to so indemnify Lessor in the event that any late or non-delivery is solely attributable to the breach by Owner, Lessor or Purchaser of its obligations under any Operative Document or the failure by the Owner, Lessor or Purchaser to deliver any condition precedent under any Operative Document.

3.3 **Termination Prior to Delivery**

3.3.1 If the Installment Purchase Agreement is terminated in respect of the Aircraft for any reason, this Agreement shall automatically terminate without further act by either party.

3.3.2 Upon any termination pursuant to Clause 3.3.1 neither Lessor nor Lessee will have any further rights or obligations under this Agreement other than:

- (i) accrued rights and claims as of the date of termination;

- (ii) pursuant to the first sentence of Clause 22.3 (*Expenses*) and Clause 22.10 (*Confidentiality*); and
- (iii) Lessor will, within ten (10) days of such termination, repay to Lessee an amount equal to the Security Deposit and any prepaid Rent received by Lessor on or prior to the date of such termination, and, if applicable, return the Letter of Credit.

3.4 Risk

Throughout the Term, Lessee shall be responsible for all risks associated with or relating to the Aircraft, including for any loss of or damage to the Aircraft. In recognition of the foregoing, and notwithstanding Lessor's rights under this Agreement, Lessee acknowledges and agrees that, as between Lessor and Lessee, Lessee (a) will be in sole operational control of the Aircraft during the Term and is in the business of operating commercial aircraft, (b) will be solely responsible for the condition, inspection, maintenance, repair, oversight, operation and security of the Aircraft and compliance with all requirements of applicable Regulations during the Term, and (c) has not relied upon, and shall not rely upon, any statement, act, or omission of Lessor (or any Affiliate of Lessor) in connection with the use, operation, maintenance, repair, condition or security of the Aircraft, except as may be agreed by Lessor or set forth in writing in the Acceptance Certificate.

4. EXPIRY DATE AND RENEWAL OPTION

4.1 Expiry Date

The Expiry Date shall mean the Scheduled Expiry Date or if a Renewal Lease Term is then in effect, the Scheduled Renewal Term Expiry Date for that Renewal Lease Term, subject to the following provisions:

- (a) if Lessor, acting in accordance with Clause 19.2 (*Lessor's Rights*) of this Agreement, terminates or cancels the leasing of the Aircraft to Lessee under this Agreement, the date of such termination or cancellation shall be the Expiry Date and Clause 19.2 (*Lessor's Rights*) shall apply;
- (b) if the Aircraft or Airframe suffers a Total Loss, the Expiry Date shall be the date when Lessor receives the full amount of the Agreed Value;
- (c) if the period referred to in clause (d) of the definition of Total Loss extends beyond the Scheduled Expiry Date or the last day of the Renewal Lease Term, as applicable, the last day of such period shall be the Expiry Date; and
- (d) if the Term is extended pursuant to Clause 18.2 (*Non-Compliance*), the Expiry Date shall be the date on which the Aircraft is redelivered to Lessor pursuant to such Clause.

In any event, Rent shall continue to accrue and be payable until the Expiry Date, unless otherwise agreed herein.

4.2 **Renewal Options**

4.2.1 **Renewal Notice**

- (a) Lessee shall have the right to extend the Term of this Agreement up to [REDACTED] times by delivering to Lessor an irrevocable Renewal Notice at least [REDACTED] months prior to the Scheduled Expiry Date or, in the event a Renewal Lease Term is then in effect, the Scheduled Renewal Term Expiry Date for such Renewal Lease Term. Each Renewal Notice shall set forth (i) the Lessee's decision to extend the leasing of the Aircraft for the relevant Renewal Lease Term and (ii) the duration of such Renewal Lease Term, which shall be for a period of [REDACTED] year, [REDACTED] years or [REDACTED] years or a period of time between [REDACTED] and [REDACTED] years and ending on a date that falls during the period from two months before to two months after the due date in accordance with the then current Lessee's Maintenance Program of the next due C Check.
- (b) Notwithstanding anything to the contrary in this Agreement or any other Operative Document:
 - (i) no Renewal Notice shall be binding on Lessor or oblige Lessor to extend the leasing of the Aircraft hereunder for any Renewal Lease Term, and shall be considered not to have been given, if any Event of Default shall have occurred and be continuing on and as of the date of any such notice or on the date of the commencement of any Renewal Lease Term; and
 - (ii) any Renewal Notice shall be irrevocable and shall constitute an unconditional obligation of Lessee to extend the leasing of the Aircraft hereunder for the Renewal Lease Term to which such Renewal Notice relates.

4.2.2 **Renewal Rent and Documentation**

- (a) Upon receipt of a Renewal Notice, as provided in Clause 4.2.1 (*Renewal Notice*) above, Lessee and Lessor shall enter into good faith negotiations with respect to (i) any amendments to the terms and conditions of this Agreement that may apply to the Renewal Lease Term; provided that (A) neither Lessee nor Lessor shall have any obligation to enter into any such amendments and (B) the failure to enter into any such amendments shall not affect the right of the Lessee to extend the Term pursuant to Clause 4.2.1(a), and (ii) the amount to be paid by Lessee as Rent during the applicable Renewal Lease Term, which amount shall be equal to the amount of FM Rate (as defined below) if Lessor and Lessee do not agree such Rent within thirty (30) days of Lessee's receipt of the Renewal Notice. Whether the amount of the Rent is agreed between Lessee and Lessor within thirty (30) days of Lessor's receipt of the Renewal Notice or the amount of Rent is established pursuant to Clause 4.2.2(b), the amount of Rent shall be documented in a lease amendment to this Agreement within a period of thirty (30) days following the determination of the amount of Rent for such Renewal Lease Term, which lease amendment shall be in form and substance acceptable to Lessee and Lessor. Thereupon, (i) Lessee and Lessor shall promptly execute and deliver such lease amendment, (ii) if a Lessor Guarantee is then in effect, Lessor shall procure that the existing Lessor Guarantor executes and delivers a confirmation of such Lessor Guarantee in respect of this Agreement as so amended in form and substance acceptable to Lessee acting reasonably, (iii) Lessee shall provide (x) written evidence of appropriate corporate action authorizing

execution and delivery of such amendment, (y) evidence of the issuance of each approval, license and consent which may be required in connection with such amendment and (z) an opinion from Lessee's in-house counsel addressed to Lessor with respect to such amendment, including that all necessary filings and registrations with respect thereto have been or promptly will be made in the State of Registration and the State of Incorporation, which opinion shall be reasonably satisfactory to Lessor; and (iv) Lessor shall provide (x) written evidence of appropriate corporate action by Lessor authorizing the execution and delivery of such amendment and, if applicable, by Lessor Guarantor authorizing execution and delivery of such confirmation of the Lessor Guarantee, and (y) evidence of the issuance of each approval, license and consent which may be required in connection with such amendment and such confirmation.

- (b) If, within thirty (30) days of the receipt of the Renewal Notice, Lessee and Lessor are unable to reach an agreement as to the amount to be paid by Lessee as Rent in respect of any Renewal Lease Term either party may, by written notice to the other, require that each party name an internationally recognized aircraft appraiser from the list of appraisers included in Clause 6 of Part A of the Financial Terms Annex, which list may be updated from time to time by an agreement in writing between Lessor and Lessee if any of the listed appraisers cease to exist. If either party fails to name an appraiser within fifteen days of receipt of notice from the other party to the effect that such appraisers are required, the decision of the appraiser named by the other party shall control and shall be binding on the parties. Each selected appraiser shall thereafter have a period of fifteen (15) days from the date the second appraiser was named (or if no second appraiser is named, from the date the first appraiser was named) to provide its professional appraisal as to the fair market monthly rent (the "**FM Rent**") that a willing lessor and a willing lessee would negotiate on an arms-length basis for the lease of the Aircraft for the Renewal Lease Term taking into account the Redelivery Conditions and the Redelivery Maintenance Payments. If the FM Rent determined by the appraiser providing the lower appraisal is less than [REDACTED] below the higher appraisal then, the average of such FM Rents will be the Rent in respect of the Renewal Lease Term to be paid by Lessee. Otherwise, the two appraisers shall jointly name a third internationally recognized aircraft appraiser from the list of appraisers included in Clause 6 of Part A of the Financial Terms Annex, who shall provide its professional appraisal as to the FM Rent within fifteen (15) days of being named, and the Rent in respect of the Renewal Lease Term shall be (i) the FM Rent determined by the third appraiser if such FM Rent amount falls between the FM Rent amounts determined by the first two appraisers, (ii) the lower of the two FM Rent amounts determined by the first two appraisers if the FM Rent determined by the third appraiser is less than such FM Rent amounts, and (iii) the higher of the two FM Rent amounts determined by the first two appraisers if the FM Rent amount determined by the third appraiser is higher than such FM Rent amounts. If the two appraisers named by the parties are unable to agree on a third appraiser within five (5) Business Days, Lessee or Lessor may apply to a court of competent jurisdiction to name the third appraiser. Lessee and Lessor shall each pay the costs and expenses of the appraiser named by it, and shall share equally the costs and expenses of the third appraiser. For purposes of this Clause 4.2.2(b) and the appraisals to be performed, the Aircraft shall be presumed to be in the condition required under this Agreement.
- (c) On the commencement date of each Renewal Lease Term (i) if the Rent payable during such Renewal Lease Term is less than the Rent that was payable hereunder before that renewal, Lessor shall reimburse Lessee a portion of the Security Deposit equal to the difference between the Rent payable immediately prior to such Renewal Lease Term and

the Rent for such Renewal Lease Term (the “**SD Difference**”) and the amount of the required Security Deposit shall be such lesser amount during that Renewal Lease Term and (ii) if the Rent for such Renewal Lease Term is greater than the Rent that was payable immediately prior to such Renewal Lease Term, Lessee shall increase the Security Deposit by an amount equal to the SD Difference and the amount of the required Security Deposit shall be such greater amount during that Renewal Lease Term.

- (d) All terms and conditions of this Agreement during the Base Lease Term shall remain in full force and effect and otherwise unchanged by the extension of the leasing of the Aircraft during any Renewal Lease Term, unless Lessor and Lessee expressly agree otherwise in writing.

5. **RENT**

5.1 **Rent Periods**

- (a) The Term shall be divided into successive periods (each a “**Rent Period**”) in respect of which Rent shall accrue and be payable.
- (b) The first Rent Period shall commence on the Delivery Date and each subsequent Rent Period shall commence on the date immediately following the last day of the previous Rent Period as described below.
- (c) Each Rent Period shall be of one month’s duration except that (i) if the Delivery Date does not occur on the sixteenth day of a calendar month, then the first Rent Period shall be from the Delivery Date until the date immediately preceding the next Rent Date and (ii) with respect to the final Rent Period, if it would not otherwise end on the Expiry Date, it shall end on the Expiry Date.

5.2 **Rent Date**

Lessee shall pay Rent to Lessor in [REDACTED] on each Rent Date. Lessee shall initiate payment adequately in advance of each Rent Date to ensure that Lessor receives the payment for value on each Rent Date.

5.3 **Rent**

- (a) Rent payable in respect of each Rent Period shall be calculated as set forth in Clause 1 of Part A of the Financial Terms Annex and shall be payable on the Rent Date for each such Rent Period.
- (b) If any Rent Period has a duration of less than a month, the Rent payable for that Rent Period shall be prorated by multiplying the amount of the Rent for that Rent Period by a fraction the numerator of which is the number of days in that Rent Period and the denominator of which is 30.
- (c) Once the Rent has been established pursuant to this Clause 5.3 and the Financial Terms Annex, Rent shall be payable in the appropriate amount, as determined pursuant to this Clause 5.3 and the Financial Terms Annex, on each Rent Date in respect of each Rent Period.

- (d) The actual dollar amount of Rent payable by Lessee on each Rent Date hereunder will be notified in writing to Lessee by Lessor accompanied by screen shot evidence and a calculation according to the formula for determination of Rent set forth in Clause 1 of Part A of the Financial Terms Annex no later than two (2) Business Days prior to the Delivery Date, and shall, in the absence of manifest error, constitute conclusive evidence of the actual dollar amount of Rent payable on each Rent Date.

6. SECURITY DEPOSIT

6.1 Lessee Payment

Subject to Clause 6.4, Lessee shall pay to Lessor a cash Security Deposit in the amount and at the time set forth in Clause 2 of Part A of the Financial Terms Annex.

6.2 Lessor Payment

Subject to Clause 7.8, Lessor shall, within ten (10) days after the Expiry Date (other than following a Total Loss, in which case Clause 16.1(b) shall apply), pay to Lessee an amount equal to the Security Deposit (less the sum of amounts applied pursuant to Clause 6.3(b) and not replenished or paid to Lessee under Clause 6.5(a)); provided that Lessor shall not be obliged to pay any such amount to Lessee for so long as any obligation then falling due for performance has not been fully discharged or performed and provided further that in the event Lessee is required to pay any Redelivery Maintenance Payments, Lessee may elect to set-off such payment obligation against the amount of the cash Security Deposit then held by Lessor.

6.3 Concerning the Security Deposit

- (a) The Security Deposit shall be the sole, absolute and unconditional property of Lessor, may be freely commingled by Lessor with its other funds and dealt with by Lessor in such manner as Lessor may see fit and Lessor will not hold any such funds as agent or on trust for Lessee or in any similar fiduciary capacity. If and to the extent that, under applicable Law in any relevant jurisdiction, the Security Deposit is considered to be the property of Lessee, the Security Deposit shall be held by Lessor as security for the timely performance by Lessee of its obligations under the Operative Documents and Lessee hereby grants a security interest in and pledge of the Security Deposit, and including all proceeds thereof and general intangibles (including payment intangibles) relating thereto, including any right to payment of an amount equal to the Security Deposit by Lessor to Lessee hereunder, to Lessor as secured party for itself. No interest shall be earned, paid or repaid in respect of the Security Deposit.
- (b) Following the occurrence of an Event of Default which is continuing, in addition to all rights and remedies of Lessor elsewhere in this Agreement or under Law, Lessor may immediately or at any time thereafter, without notice to Lessee, use or apply an amount equal to all or part of the Security Deposit in or towards the payment or discharge of any matured obligation owed by Lessee under this Agreement or any other Operative Document, in such order as Lessor sees fit, and/or exercise any of the rights of set-off described in Clause 22.4 (*Set-off*) with respect to an amount equal to the Security Deposit and/or exercise any other right or remedy of a secured creditor upon a default provided in the UCC.

- (c) If Lessor exercises any of the rights described in Clause 6.3(b):
 - (i) Lessee shall, upon a demand in writing from Lessor, immediately and in any event within [REDACTED] Business Days of such demand, pay in immediately available funds an amount sufficient to restore the Security Deposit to the level at which it stood immediately prior to such exercise; and
 - (ii) such use, application or retention shall not be deemed a cure of any Event of Default unless such use, application or retention was sufficient to cure such Event of Default (or Lessee has otherwise cured the same) and Lessee has restored the Security Deposit to the level at which it stood immediately prior to such exercise.
- (d) It is hereby agreed that the Security Deposit shall not constitute an agreed liquidated damages amount.

6.4 Provision of Letter of Credit

Lessee may, following execution of this Agreement and at any time during the Term, in lieu of the cash Security Deposit or any other existing Letter of Credit, upon prior written notice to Lessor, deliver to Lessor a Letter of Credit substantially in the form set out in Schedule 11 (*Form of Letter of Credit*) or as otherwise approved by Lessor from time to time, acting reasonably (the “**Letter of Credit**”), **provided that** no Event of Default is continuing. Such Letter of Credit shall in any event:

- (a) be denominated in and payable in the currency in which the Rent is payable and be payable in an amount of not less than the Security Deposit required hereunder;
- (b) be issued by a bank which is organized in the United States or the United Kingdom or is a United States or United Kingdom regulated branch of a foreign bank in either case having a long term unsecured long-term debt rating of [REDACTED] with Standard & Poor’s or [REDACTED] with Moody’s and which has satisfied Lessor’s “Know Your Customer” checks, anti-money laundering checks and any similar requirements (the “**Acceptable LC Bank Rating**”) or confirmed by such a bank;
- (c) be an irrevocable standby Letter of Credit payable on demand without proof or evidence of entitlement of loss required at an office of a bank located in London, New York City or San Francisco or in another location satisfactory to Lessor in its sole discretion, and shall be capable of being drawn by Lessor directly;
- (d) without prejudice to Clause 6.4(c) above, be capable of being drawn if a replacement Letter of Credit is not provided in accordance with Clause 6.5; and
- (e) have a non-cancelable term of at least three hundred and sixty four (364) days or, if less, a non-cancellable term extending thirty (30) days beyond the Scheduled Expiry Date or Scheduled Renewal Term Expiry Date, as applicable.

6.5 Letter of Credit

- (a) If Lessee provides Lessor with a Letter of Credit in accordance with the terms of Clause 6.4 (*Provision of Letter of Credit*), then on receipt of such Letter of Credit

Lessor shall return any cash Security Deposit paid by Lessee to Lessor pursuant to Clause 6.1 (*Lessee Payment*) to Lessee no later than [REDACTED] Business Days after receipt of the Letter of Credit.

- (b) Lessee shall ensure that a Letter of Credit remains in place throughout the Term or any relevant part thereof; provided, however, that Lessee may replace a Letter of Credit with a cash Security Deposit and so long as no Event of Default shall have occurred and be continuing, Lessee shall have the right to put in place a replacement Letter of Credit in accordance with the terms of Clause 6.4 (*Provision of Letter of Credit*). Lessor will return to Lessee the replaced Letter of Credit as soon as reasonably practicable (and in any event within [REDACTED] Business Days) following receipt of a cash Security Deposit or a replacement Letter of Credit.
- (c) Lessee shall procure the renewal of or new issue of a Letter of Credit no later than [REDACTED] days (the “**LC Renewal Date**”) prior to the stated expiry date of any then current Letter of Credit.
- (d) If Lessee fails to put in place a replacement Letter of Credit by the LC Renewal Date in accordance with Clause 6.5(c) and has not notified Lessor that Lessee will replace the same with a cash Security Deposit of like amount by such LC Renewal Date and thereafter does not otherwise in fact replace the Letter of Credit with such cash Security Deposit not later than [REDACTED] Business Days prior to the stated expiry date of such Letter of Credit, Lessor shall be entitled to drawdown on the Letter of Credit for the full amount thereof and such monies so drawn shall thenceforth be held by Lessor as provided below.
- (e) If at any time the long term unsecured credit rating of the issuing bank or (if applicable) the confirming bank in respect of the Letter of Credit falls below the Acceptable LC Bank Rating, then Lessee shall promptly and in any event within ten (10) days of the earliest of (A) becoming aware of such downgrade and (B) demand by Lessor, either (1) provide Lessor with a replacement Letter of Credit complying with Clause 6.4 (*Provision of Letter of Credit*); or (2) provide a cash Security Deposit that meets the requirements of, and in accordance with the provisions of, Clause 6.1 (*Lessee Payment*), in which event, upon receipt of such replacement Letter of Credit or cash Security Deposit Lessor will return the original Letter of Credit to Lessee as soon as reasonably practicable (and in any event within [REDACTED] Business Days) following receipt of such replacement Letter of Credit or cash Security Deposit.
- (f) Lessor may assign or pledge its interest under the Letter of Credit to any Financing Party or any assignee or transferee of the Lessor’s interests as permitted by Clause 21.2 (*Lessor Transfer*) (and Lessee shall at Lessor’s cost perform such acts and deliver such instruments as Lessor may reasonably request in order to carry out and effect any such assignment or pledge).
- (g) Lessor shall be entitled to make any number of demands under the Letter of Credit at any time following any Event of Default which is continuing or pursuant to Clause 6.5(d). Any amounts drawn under the Letter of Credit shall be held by Lessor as its property and/or applied (and/or set off) against all obligations of Lessee under this Agreement or any other Operative Document, including any Losses arising as a result of the occurrence of any Event of Default hereunder. Such holding, application and/or set-off of any amount so drawn by Lessor shall not be deemed a cure by

Lessee, or waiver by Lessor or any other person, of any Event of Default except to the extent Lessee replaces the Letter of Credit pursuant to Clause 6.5(h) or pays to Lessor as a cash Security Deposit the amount so applied, held, and/or set-off by Lessor.

- (h) If for any reason Lessor applies any amount (the “**Paid Amount**”) under the Letter of Credit, then Lessee shall within five (5) Business Days of demand, cause an additional Letter of Credit complying with the requirements of Clause 6.4 (*Provision of Letter of Credit*) with an amount equal to the Paid Amount and expiring on the same date as the existing Letter of Credit to be issued, or shall pay to Lessor in immediately available funds an amount equal to the Paid Amount to Lessor so that Lessor shall at all times have on an aggregate basis the benefit of a Letter of Credit and/or a cash Security Deposit for the amount of the Security Deposit pursuant to Clause 6 (*Security Deposit*).
- (i) Any amount drawn by Lessor under the Letter of Credit shall, pending application and/or set off in the manner contemplated by Clause 6.5(g) or the payment of the same to Lessee pursuant to Clause 6.5(k) be the absolute and unconditional property of Lessor (but to the extent that in any jurisdiction any such amounts would be held to be the property of Lessee, Lessee hereby declares to the fullest extent permissible under applicable Law, for the benefit of Lessor that such property is and will be held subject to the Security Interest provided in Clause 6.3(a) by Lessee for the benefit of Lessor).
- (j) If at any time any Letter of Credit delivered to Lessor shall cease to constitute the legal, valid and binding obligations of the issuer thereof or any applicable confirming bank enforceable in accordance with its terms, or amounts payable under any Letter of Credit shall cease to be freely available for drawing, Lessee shall forthwith notify Lessor upon becoming aware of such circumstance(s) and as soon as practicable and in any event within [REDACTED] Business Days after becoming aware of such circumstances or after written demand from Lessor either (i) deliver to Lessor a replacement Letter of Credit complying with the requirements set out in Clause 6.4 (*Provision of Letter of Credit*) or (ii) deliver to Lessor a cash Security Deposit of an amount equal to the face value of the Letter of Credit, to be held by Lessor, whereupon Lessor shall redeliver to Lessee the first above mentioned Letter of Credit not later than [REDACTED] Business Days following receipt of such replacement Letter of Credit or, as the case may be, cash Security Deposit.
- (k) Subject to the payment, performance and discharge in full of all of Lessee’s obligations under each of the Operative Documents and subject to Clause 7.8, Lessor shall within [REDACTED] Business Days of the Expiry Date return to Lessee any Letter of Credit then outstanding.
- (l) Except as provided in clause (f) above, Lessee shall pay all fees and expenses of the issuing or confirming bank in respect of any substitution, renewal or replacement of any Letter of Credit.

7. PAYMENTS

7.1 Account for Lessee Payments

All payments by Lessee to Lessor under this Agreement will be made for value on the due date in Dollars in immediately available funds by SWIFT or wire transfer directly from Lessee or an Affiliate of Lessee previously notified to Lessor, provided that Lessor has completed all its “Know Your Customer” and tax checks, anti-money laundering checks and any other similar requirements in respect of such Affiliate, Lessor’s account set out below or to such other account of the Lessor as Lessor may from time to time notify Lessee in writing five (5) Business Days prior to a date for a payment hereunder; provided that the payment and/or indemnity obligations of Lessee shall not be increased as a result of the designation of such other account of the Lessor:

Bank:	[REDACTED]
Account No:	[REDACTED]
Account Name:	[REDACTED]
Sort Code:	[REDACTED]
IBAN BIC/Swift Code:	[REDACTED]
IBAN:	[REDACTED]
Correspondent Bank:	[REDACTED]
Swift Code:	[REDACTED]
ABA:	[REDACTED]
Reference:	AMX 737 ([[●]])[MSN[TBD]]])

7.2 Default Interest

If any party hereto fails to pay any amount payable under this Agreement on the due date, such party shall pay to the party entitled to receive such payment on demand from time to time interest at the Default Rate (both before and after judgment) on that amount, from the due date to the date of payment in full. All such interest will be compounded monthly and calculated on the basis of the actual number of days elapsed in the month and assuming a 30 day month and a 360 day year.

7.3 Absolute Obligations

- (a) This Agreement is a net lease. Lessee’s obligations to pay Rent and to perform any of its other obligations pursuant to this Agreement and the other Operative Documents are absolute and unconditional and shall be paid and performed in full when due without reduction, deduction, set-off, recoupment, claim or counter claim, and Lessor shall have all of the rights and benefits of a lessor under a lease to which Section 2A-407 of the UCC applies as provided therein. Lessee may not regard its obligations as cancelled, terminated, suspended, reduced or altered (and waives to the greatest extent permitted by applicable Laws any rights which it may have at any time to cancel, terminate, suspend, reduce or alter such obligations) by reason of any contingency or circumstance whatsoever, including (but not limited to):
 - (i) any right of set-off, counterclaim, recoupment, reduction, reimbursement, claim, defense or other right which Lessee may have against Lessor, any Indemnatee, the Manufacturer, any other vendor, or against any other Person;

- (ii) any unavailability of the Aircraft for any reason or interruption of or interference with Lessee's use, operation or possession of the Aircraft;
 - (iii) any defect in title, airworthiness, condition, design, operation of or use of the Aircraft, merchantability, fitness for any purpose, registration of the Aircraft or any damage to or (subject to the provisions of Clause 16.2 (*Total Loss After Delivery*)) loss or destruction of the Aircraft;
 - (iv) any insolvency, bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceedings by or against Lessor or Lessee or any other Person;
 - (v) any invalidity or unenforceability of or other defect in this Agreement; and,
 - (vi) any other cause or circumstance which but for this provision would or might otherwise have the effect of terminating, canceling, suspending, abating, reducing, deferring or in any way affecting any obligation of Lessee under this Agreement, including to lease the Aircraft or pay Rent. Lessee acknowledges and agrees that it has used its own judgment in selecting the Aircraft, and has not relied on Lessor or on any information supplied by Lessor, that Lessor is not a manufacturer of or dealer in aircraft.
- (b) Each payment of Rent made by Lessee shall be final. Lessee will not seek to recover all or any part of any payment of Rent for any reason whatsoever except for manifest error.
- (c) The provisions of this Clause 7.3 (*Absolute Obligations*) shall not be construed to limit Lessee's right to institute separate legal proceedings for direct damages or otherwise pursue remedies for direct damages against Lessor in the event of Lessor's breach of the terms of this Agreement or to limit Lessee's rights and remedies against any other Person.

7.4 Currency Indemnity

- (a) If, under any applicable Law, whether as a result of a judgment or the liquidation of a party or for any other reason, any payment under or in connection with this Agreement is made or is recovered in a currency (the "**other currency**") other than the currency (the "**contractual currency**") in which it is payable pursuant to this Agreement then, to the extent that the payment (when converted into the contractual currency at the rate of exchange on the date of payment or, in the case of a liquidation, the latest date for the determination of liabilities permitted by the applicable Law) falls short of the amount unpaid under this Agreement, the payor shall as a separate and independent obligation, fully indemnify the party entitled to receive such payment against the amount of the shortfall. For the purposes of this sub-clause "**rate of exchange**" means the rate at which the payor is able on the relevant date to purchase the contractual currency in New York with the other currency.
- (b) Lessee waives any right it may have in any jurisdiction to pay any amount under this Agreement in a currency other than that in which such amount is expressed to be payable.

7.5 Application of Payments by Lessor

If any sum paid to Lessor or recovered by Lessor in respect of the liabilities of Lessee under this Agreement is less than the amount then due, Lessor may apply that sum to amounts that are then due under this Agreement in such proportions and order and generally in such manner as Lessor may determine in its reasonable discretion.

7.6 Lessor's Determination of Amounts Due

Any certificate or determination by Lessor as to any rate of interest or as to any other amount payable under this Agreement shall, in the absence of manifest error, be prima facie evidence of the amount so payable.

7.7 Business Day Convention

If any payment due under this Agreement (including any payment of Rent) would otherwise be due on a day which is not a Business Day, it shall be due on the immediately succeeding Business Day.

7.8 Retention of Certain Payments

Any amount referred to in any Operative Document which is payable to or retainable by Lessee shall not be paid to or retained by Lessee at any time when an Event of Default (other than an Event of Default arising solely under Clause 19.1(f) (*Cross Default*)) shall have occurred and be continuing, but instead such amount shall be paid to or held by Lessor as security to be held and applied in accordance with the provisions of this Agreement. At such time as there shall not be continuing any Event of Default (other than an Event of Default arising solely under Clause 19.1(f) (*Cross Default*)), such amount shall be paid to Lessee to the extent not applied in accordance with the preceding sentence. Where Lessor would, but for this Clause 7.8 or any similar provision, be obliged to make any payment to Lessee, Lessor may elect to make such payment but shall be entitled to deduct or withhold from such payment any amount then due and payable under this Agreement with prior electronic or written notice to Lessee.

7.9 Invoices

Lessor shall provide Lessee on a monthly, quarterly, semiannual or annual basis, as Lessor may determine in its sole discretion, a separate electronic or paper invoice reflecting the amount of Rent and payment of the Security Deposit, if applicable, due hereunder for each Rent Period, but failure by Lessor to issue an invoice or the non-receipt of any such invoice by Lessee shall not affect Lessee's obligation to make such payment. In addition, upon Lessee's request, Lessor or any other Indemnitee shall provide Lessee with an electronic or paper invoice and supporting documentation in connection with any other payment due hereunder, but failure by any such person to provide an invoice or supporting documentation or the non-receipt of any such invoice or supporting documentation by Lessee shall not affect Lessee's obligation to make such payment. Lessee shall provide Lessor with an electronic or paper invoice for any payments due from Lessor to Lessee.

8. LESSOR COVENANTS

8.1 Quiet Enjoyment

Lessor agrees that, provided no Event of Default has occurred and is continuing and **provided that** this Agreement shall not have been otherwise terminated, none of Lessor, any other Lessor Party and any Person lawfully claiming by, through or under it or any other Lessor Party shall take or cause to be taken any action to interfere with Lessee's or any Permitted Sublessee's right to use, possession and quiet enjoyment of the Aircraft. The foregoing shall not, however, prevent Lessor, or its successors, assigns or transferees, from exercising any rights or remedies under this Agreement.

8.2 Lessor Obligations following Expiry Date

Lessor shall within ten (10) days after the Expiry Date:

- (a) pay to Lessee a portion of any Rent paid to Lessor to the extent such portion is attributable to the period falling after, but excluding, the Expiry Date; and
- (b) pay to Lessee as an independent obligation an amount equal to the Security Deposit in accordance with Clause 6.2 (*Lessor Payment*) or return the Letter of Credit in accordance with Clause 6.5(k), whichever is applicable;

provided, that if any Event of Default (other than an Event of Default arising solely under Clause 19.1(f) (*Cross Default*)) has occurred and is continuing, Lessor may hold and apply any such amounts in or toward the cure of such Event of Default and, at such time as no such Event of Default is in existence, shall pay the unapplied portion thereof, if any, to Lessee.

8.3 Lessor Obligations regarding Tax Information

Lessor shall provide to Lessee the information described in Clause 20.6(c) hereof, as and when required pursuant to such Clause.

8.4 Lessor Obligations Regarding AD Cost Sharing

If Lessee performs an Airworthiness Directive issued by the FAA on the Aircraft on a terminating action basis which is required to be completed prior to the expiration of the Term. Lessor shall, subject to the provisions of Clause 7.8, if Lessor has received an invoice and documentation supporting the cost of performing such Airworthiness Directives on the Aircraft, reimburse Lessee at redelivery for a portion of such cost, if any, as determined in accordance with the formula set forth in Clause 5 of Part A of the Financial Terms Annex.

9. LESSEE COVENANTS

9.1 Performance

- (a) Lessee shall perform and comply with its undertakings, covenants and other agreements in this Agreement at all times prior to Delivery (where applicable) and during the Term. All such undertakings and covenants shall, except where expressly otherwise stated, be performed at the sole expense of Lessee.

- (b) Lessee shall remain liable to Lessor for all of Lessee's obligations and liabilities under this Agreement notwithstanding any delegation by Lessee to another Person of any such obligations or liabilities or any reliance by Lessee on another Person to perform or discharge any such obligations or liabilities, whether or not such delegation or reliance is permitted or contemplated by this Agreement (including the Permitted Sublessee and the sublease under Clause 10.3 (*Subleasing*)) (**provided that** to the extent any such obligation or liability is actually performed or discharged by such other Person on Lessee's behalf, such performance or discharge shall constitute performance or discharge of the corresponding obligation or liability of Lessee). Lessee further acknowledges and agrees that the Rent and other payments under this Agreement and the other Operative Documents shall be paid by and from Lessee or an Affiliate of Lessee (to the extent permitted by Clause 7.1) to Lessor directly and not paid by or from any Permitted Sublessee.
- (c) Lessee will cause any Post-Delivery Authorizations and Filings to be made or obtained as provided in the definition of such term and by the deadline provided in Clause 5 of Schedule 3 (*Conditions Precedent*).

9.2 Information – General and Financial

Lessee shall:

- (a) furnish to Lessor:
 - (i) by making the same available on its website or directly to Lessor if not posted on its website, no later than one hundred and twenty (120) days (and one hundred and fifty (150) days in the case of the English language version) days after the last day of each financial year of Lessee, its audited consolidated balance sheet and cash flow statement as of such day and its audited consolidated profit and loss statement for the year ending on such day;
 - (ii) by making the same available on its website or directly to Lessor if not posted on its website, no later than ninety (90) days after the last day of each financial quarter of Lessee, a copy of its unaudited financial statements for the period ending on such day, including its consolidated balance sheet, cash flow statements and consolidated profit and loss statement for the period ending on such day; and
 - (iii) to the extent that Lessee is permitted by applicable Law and is not bound by confidentiality undertakings to third parties, such other information concerning the business or financial affairs of Lessee as Lessor may from time to time reasonably request; provided, however, that under no circumstances shall Lessee be required to provide Lessor with financial or operational forecasts;
- (b) promptly notify Lessor of the occurrence of any Total Loss or of any event which is likely to result in a claim under the Insurances in excess of the Damage Notification Threshold;
- (c) promptly notify Lessor of the occurrence of any Event of Default; and

- (d) within fifteen (15) Business Days after receipt by Lessee of a request by Lessor (or such shorter period as may be set forth in any written request by any Government Entity for information or documents), Lessee shall furnish in writing to Lessor such information or documents within its possession or which are reasonably available to it (or copies thereof certified as correct by an authorized officer of Lessee) regarding the Aircraft as may reasonably be requested by Lessor or as may be required to enable Lessor to file any report or document required to be filed by it with any Government Entity because of its ownership interest in the Aircraft, the Airframe or the Engines.
- (e) unless available on Lessee's website, provide Lessor with copies of every report, notice or similar document generally issued by Lessee to all of its creditors (including its lessors and financiers of aircraft) at the time so issued;
- (f) throughout the Term,
 - (i) provide, or use commercially reasonable efforts to cause any Permitted Sublessee to provide, Lessor within ten (10) days after the end of each calendar quarter (or at such other times as may reasonably be requested by Lessor), a technical report for the Aircraft for the preceding quarter (or other period) in the form of Schedule 16 which must have all requested information completed and show (a) whether any Engine, APU or Landing Gear has been removed (specifying the reason for any such removal) and the details of the airframe on which such item has been installed or the actual physical location of such item if not so installed, (b) the Flight Hours and Flight Cycles used during the calendar quarter, (c) the next due C Check and (d) the current operated Engine Thrust Rating; and
 - (ii) should Lessor reasonably request information on the maintenance of the Aircraft beyond that contained in the reports issued pursuant to subclause (i) above or any information with respect to any Permitted Lessee or its operations, Lessee shall use reasonable efforts to provide such information as soon as reasonably practicable; and
- (g) throughout the Term, provide Lessor with any other information with respect to the Aircraft, any Engine or any Part or any Permitted Sublease or the operations of Lessee or any Permitted Sublessee as Lessor may reasonably request.

9.3 Operation of the Aircraft

Lessee shall:

- (a) operate the Aircraft solely for commercial purposes;
- (b) not use or operate the Aircraft in violation of or contrary to any applicable Regulation; provided that, the foregoing shall not prohibit Lessee from operating the Aircraft temporarily in any manner or location in the event of an emergency;
- (c) not knowingly permit any items to be on or transported by the Aircraft if it is prohibited by any Regulation for such item to be on or transported by the Aircraft;

- (d) not use or operate the Aircraft for any purpose for which the Aircraft is not designed or for any purpose other than primarily in passenger service in passenger configuration;
- (e) not use the Aircraft for purposes of training, qualifying or re-confirming the status of cockpit personnel except for the benefit of Lessee's cockpit personnel, and then only if the use of the Aircraft for such purpose is not disproportionate to the use for such purpose of other aircraft of the same or similar type operated by Lessee at the time of such training;
- (f) not use or operate the Aircraft or suffer or permit the Aircraft to be used or operated in any manner when the Insurances are not in full force and effect, and not use, operate or locate the Aircraft or suffer or permit the Aircraft to be used, operated or located in any manner not covered by the Insurances or in any area excluded from coverage by the Insurances (and without limiting the foregoing Lessee will not use, operate or locate the Aircraft or permit it to be used, operated or located in any area of recognized or threatened hostilities when the war risk Insurances are not in full force and effect and applicable thereto); provided, that, the foregoing shall not prohibit Lessee from operating the Aircraft temporarily in any such locations in the event of an emergency landing; and
- (g) not operate, maintain, modify, insure or deal with the Aircraft or any Engine or Part in a manner which adversely discriminates against the Aircraft or such Engine or Part, when compared with the manner in which Lessee operates, maintains, modifies, insures or deals with similar aircraft, engines or parts in Lessee's fleet.
- (h) except on a temporary basis in the event of an emergency landing, not use or operate the Aircraft, or permit the Aircraft to be used or operated in any manner or for any purpose which would knowingly violate any Sanctions applicable to Lessee, Lessor or the Aircraft;
- (i) not permit the Aircraft to be registered in a Prohibited Country at any time after seven (7) days of Lessee's receipt of written notice from Lessor that the country in which the Aircraft is registered is a Prohibited Country and, except on a temporary basis in the event of an emergency landing, not permit the Aircraft to proceed to, or remain at, or operate from any location in a Prohibited Country, unless each applicable consent, exception and license which is applicable to the Aircraft or its operation in such Prohibited Country has been obtained or applies without any action (evidence of which Lessee shall provide to Lessor upon Lessor's written request) and except that over flights may be conducted provided they comply with all Regulations and Sanctions and the terms of the Insurances; and
- (j) except on a temporary basis in the event of an emergency situation, not permit the Aircraft to be used outside the tolerances and limitations for which it was designed, contrary to Manufacturer's operating manuals or instructions or in any manner which might invalidate a Manufacturer warranty.

9.4 General Covenants, Compliance and Undertakings

Lessee shall:

- (a) at all times during the Term maintain (i) its business as a commercial scheduled air carrier; (ii) its corporate existence (except as permitted by Clause 9.7 below; and (iii) in full force and effect, all consents, licenses, authorizations, approvals, permits, rights and privileges material to its business or to the performance of its obligations under this Agreement;
- (b) comply with all Regulations required for the making of payments, and the performance by Lessee of its other obligations under this Agreement;
- (c) promptly pay or cause to be paid when due (i) all license, registration, navigation and airport fees and charges assessed and demanded by any Government Entity and/or any other air navigation authority in accordance with applicable Regulations relating to the Aircraft and (ii) all costs, expenses, charges, fees (including, without limitation, license and registration fees), Taxes and other outgoings related to the operation, storage, maintenance, leasing or registration of the Aircraft, which in either case if not paid when due could result in a Security Interest which is not a Permitted Lien being imposed on the Aircraft; and
- (d) comply with all applicable Laws concerning security measures to protect the Aircraft and its passengers from theft, destruction, hijacking, bombing or other acts of terrorism.

9.5 Registration and Protection

- (a) Lessee shall to the greatest extent permitted by applicable Law and subject to Lessee's receipt from Owner (if different from Lessor) and Lessor of any required documentation complying with any applicable execution formalities:
 - (i) so long as Owner continues to be eligible for such registration, keep the Aircraft registered with the AFAC in the name of Owner as owner thereof and not take or permit any action contrary to the continued registration of the Aircraft with the AFAC in the name of Owner other than (x) with Lessor's prior written approval which will not be unreasonably withheld or delayed or (y) in connection with the change of the State of Registration resulting from a sublease of the Aircraft to a Permitted Sublessee pursuant to the terms hereof;
 - (ii) subject to clause (iii) below, cooperate with Owner and Lessor with the registration and recordation with the AFAC and any other relevant public record (or as required to comply with the Cape Town Convention or the Geneva Convention where applicable) of (x) the Aircraft, this Agreement (or particulars thereof) or any other Operative Document or Financing Document, if applicable, and/or (y) the interest of Owner as owner and Lessor as lessor and, at Lessor's cost, the rights of any Financing Parties having a Security Interest in respect of the Aircraft or this Agreement, any other Operative Document or Financing Document (as the case may be) on such public record;
 - (iii) at Lessor's cost make and cooperate with Owner and Lessor with the making of any changes to the registrations referred to at (i) or (ii) above as may be necessary or advisable (and are consistent with the provisions of this Agreement or any other Operative Document or Financing Document, as applicable) to take

account of any change permitted by this Agreement in ownership of the Aircraft or any change in the financing of the Aircraft; and

- (iv) from the date of execution of this Agreement and at all times during the Term, be and maintain registered as a Transacting User Entity (as defined in the Cape Town Convention with respect to the International Registry).
- (b) Lessee shall not without the prior written consent of Lessor change the State of Registration other than as permitted pursuant to Clause 9.5(a)(i) and, following the termination of any sublease of the Aircraft during which the Aircraft is registered in a jurisdiction other than Mexico in accordance with the terms hereof, Lessee shall also have the right to re-register the Aircraft with the AFAC in the name of Owner as owner.
- (c) Lessee shall from time to time, do or cause to be done any and all acts and things which may be required or desirable (in the discretion of Lessor acting reasonably, but in each case consistent with the provisions of the Agreement and the other Operative Documents) which are requested in writing by Lessor, acting reasonably, to ensure that Lessor, and, at Lessor's cost, Owner (if different from Lessor) and the Financing Parties, if any, have or obtain the fullest benefit(s) of the Cape Town Convention and/or the Protocol as in effect in the State of Registration in connection with the Aircraft and any Engine, including (but not limited to):
 - (i) any matters connected with registering, perfecting or preserving and/or enhancing any International Interest(s) or other registrable interests vested in the Lessor, the Owner or the Financing Parties with respect to the Aircraft and/or any Engine and constituted by this Agreement or any other Operative Document and any interests arising out of any Permitted Sublease;
 - (ii) constituting any International Interest(s) or other registrable interests to be vested in the Lessor, the Owner or the Financing Parties with respect to the Aircraft and/or any Engine in connection with this Agreement or any other Operative Document;
 - (iii) entry into agreements (subordination or otherwise) to protect, perfect and/or enhance and/or improve the priority of any International Interest(s) or other registrable interests referred to in the foregoing Clause 9.5(c)(i) and/or (ii); and
 - (iv) taking all relevant actions and cooperating as may be requested by Lessor in writing with respect to the issuance of an IDERA to the extent such instrument becomes recognized in Mexico after the date hereof and all necessary Regulations implementing such recognition and measures with respect to the filing and acknowledgement of an IDERA have been fully adopted and implemented in Mexico after the date hereof; provided that Lessee shall only be required to take any such action or provide any such cooperation subject to, and in accordance with all applicable laws and regulations of Mexico, and simultaneously with the deactivation of the Deregistration Power of Attorney in effect at that time.
- (d) Lessee and Lessor agree that for all purposes of the Cape Town Convention, (i) this Agreement upon the Delivery of the Aircraft will constitute a separate International

Interest with respect to the Airframe and/or each Engine, and (ii) the Airframe and each Engine constitute Aircraft Objects.

- (e) For the avoidance of doubt, the costs and expenses in opening and maintaining the Transacting User Entity accounts of the Lessor, the Owner and any Financing Party shall not be at Lessee's cost.

9.6 Title and other Property and Security Interests

- (a) Lessee shall:

- (i) affix, and maintain in a prominent position, a fireproof plate (having dimensions of not less than 10 cm. x 7 cm.) on each Engine and in the cockpit or cabin of the Aircraft stating:

“THIS [AIRCRAFT/ENGINE] IS OWNED BY [●] [AND LEASED TO [●], AS LESSOR] AND IS LEASED TO AEROVÍAS DE MÉXICO, S.A. DE C.V., AS LESSEE [AND SUBJECT TO A MORTGAGE IN FAVOR OF [●]]”;

provided, that the replacement of any such fireproof plates required due to changes of ownership or lienholders shall be arranged and paid for by Lessor, except in the case of any change of ownership or lienholder following repossession of the Aircraft as a result of an Event of Default, in which case it shall be for Lessee's cost.

- (ii) not at any time (x) represent to others that Lessor, Owner, any Affiliate of Lessor, or any Financing Parties are in any way connected with or responsible for any operation of the Aircraft or the business of the Lessee or carriage (whether for hire or reward or gratuitously) which may be undertaken by Lessee; or (y) pledge the credit of Lessor, Owner, any Affiliate of Lessor or any Financing Parties;
 - (iii) not abandon the Aircraft, any Engine or any Part;
 - (iv) not allow (and not permit a Permitted Sublessee to allow) the Aircraft, any Engine or any Part or any of Lessor's, Owner's or any Financing Party's interest in the same, or this Agreement or the Insurances, to become or remain subject to any Security Interest (other than Permitted Liens) or become or remain subject of any attachment, deposit or encumbrance other than Permitted Liens and promptly at Lessee's expense take such action as may be necessary to discharge any such Security Interest other than Permitted Liens or any such attachment, deposit or encumbrance other than Permitted Liens if the same shall exist at any time; or
 - (v) not consent to any interests conflicting with (whether or not taking priority over) the interests of Lessor as lessor and Owner as owner or any Financing Party to be registered at the International Registry without the prior written consent of Lessor, or such Financing Party (as the case may be);
 - (vi) take all reasonable steps to ensure that the interests of Lessor and, if applicable, Owner and the Financing Parties in the Aircraft are, when appropriate, made known to third parties dealing with Lessee or any Permitted Sublessee and the Aircraft and Lessee will not (and will not permit a Permitted Sublessee to):

- (A) hold itself out as owner of the Aircraft or as having an economic interest in it equivalent to ownership (whether to obtain a particular tax treatment or otherwise);
 - (B) take or refrain from any action if, as a consequence, Lessee knows that the rights of Owner, Lessor or any Financing Party in the Aircraft or the validity, enforceability or priority of this Agreement, any mortgage in respect of the Aircraft, any Financing Documents or any Operative Document to which Lessee is a party could reasonably be expected to be adversely affected;
 - (C) represent to third parties that Lessor, Owner or any Financing Party is in any way associated with or responsible for the business activities of Lessee or any Permitted Sublessee
 - (D) permit the Aircraft to become or remain subject to any Security Interest (other than a Permitted Lien); or
 - (E) pledge the credit of Lessor, Owner or any Financing Party;
- (b) Lessee shall have no right, title or interest in or to any part of the Aircraft except the rights expressly set out in this Agreement.

9.7 Lessee Existence.

Lessee will preserve its corporate existence, will not sell, lease, transfer or otherwise dispose of all or substantially all of its assets (in one or in any series of transactions) to any Person and will continue to be a regularly scheduled, commercial airline; provided that Lessee may sell, lease, transfer or otherwise dispose of all or substantially all of its assets (in one or a series of transactions) to any Person or merge or consolidate with any Person in a transaction in which it is not the surviving Person if the following conditions are satisfied:

- (a) Lessee has provided Lessor with thirty (30) days prior written notice of such transaction;
- (b) the Person acquiring such assets or the Person surviving such merger or consolidation (in either case, the “**Surviving Entity**”) assumes all of the rights and obligations of Lessee under the Operative Documents to which Lessee is a party;
- (c) the tangible net worth of the Surviving Entity is equal to or greater than the tangible net worth of Lessee immediately prior to such merger or consolidation, except where (if the Surviving Entity’s tangible net worth would be lower than such prior tangible net worth of the Lessee), this does not and could not reasonably be expected to cause an Event of Default or have a material adverse effect on the ability of the Surviving Entity to comply with its obligations under the Operative Documents;
- (d) the Surviving Entity is duly organized and validly existing under the laws of its state of organization;
- (e) the Surviving Entity shall execute and deliver to Lessor an agreement, in form and substance reasonably satisfactory to Lessor, by which the Surviving Entity assumes the

due and punctual performance and observance of each covenant and condition of Lessee under this Agreement and agrees to be bound thereby (such assumption of obligations to be legal, valid, binding and enforceable, except as enforcement of such agreement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting the rights of creditors generally and general principles of equity);

- (f) the Surviving Entity shall execute and deliver to Lessor and/or file such recordations and filings with any Government Entity (including the Aviation Authority) as Lessor shall reasonably deem to be necessary or advisable (including, without limitation, to preserve and protect the interests of Lessor and the Financing Parties) to evidence, or in connection with, such transfer of assets, merger or consolidation; and
- (g) prior to and immediately after giving effect to such transfer of assets, merger or consolidation, no Event of Default shall have occurred and be continuing.

Lessee shall pay all actual and reasonable costs and expenses incurred by Lessor and, if applicable, any Financing Party (including all reasonable legal fees and expenses) in relation to any such transfer of assets, merger or consolidation following receipt of an invoice and supporting documentation in respect thereof reasonably acceptable to Lessee.

9.8 Recognition of Rights

Lessee shall procure that any Person to whom possession of the Aircraft, the Airframe or any Engine is given (other than maintenance providers as permitted hereunder) acknowledges in writing within a mortgage or lease or other agreement between Lessee and such Person or otherwise, that it will respect the interests of the owner and lessor of the Aircraft, the Airframe or such Engine, as applicable and the interests of the Financing Parties in respect of such Aircraft, the Airframe or such Engine and will not seek to exercise any rights whatsoever in relation to such Aircraft, Airframe or Engine. Lessor hereby acknowledges, on behalf of itself, Owner and any Financing Parties, and for the benefit of any holder of an interest in an engine that may at any time be attached to the Airframe, that it will respect the interests of such holders of interests and will not seek to exercise any rights whatsoever in relation to such engine.

10. POSSESSION, SUBLEASING AND POOLING

10.1 Possession

Lessee shall not, without the prior written consent of Lessor, sublease, wet lease or part with or deliver possession of the Aircraft, the Engines or any Part to any third party except:

- (a) with respect to the Aircraft, the Engines or any Part, to an Approved Maintenance Performer or the applicable Manufacturer for testing, modification, maintenance, repair, overhaul or other work to the extent required or permitted by this Agreement;
- (b) with respect to the Aircraft on a wet lease which complies with Clause 10.2;
- (c) with respect to the Aircraft on a sublease which complies with Clause 10.3; and
- (d) with respect to an Engine or a Part as expressly permitted by this Agreement.

10.2 Wet leasing

Lessee shall be permitted to wet lease or charter the Aircraft to a third party **provided that** under the terms of such wet lease or charter:

- (a) the Aircraft shall be operated solely by regular employees of Lessee possessing all current certificates and licenses that are required by applicable Regulations;
- (b) the Aircraft shall remain subject to the insurance coverage required under Clause 15 or such other insurance coverage as is approved by Lessor;
- (c) the Aircraft shall be maintained by Approved Maintenance Performers in accordance with the Maintenance Program and Lessee's normal maintenance practices;
- (d) the Aircraft shall not be subject to any change in its State of Registration;
- (e) such wet lease or charter is expressly subordinated to this Agreement and the rights of Lessor and the Financing Parties hereunder and to the Aircraft;
- (f) the duration of such wet lease shall not extend beyond the Term;
- (g) the Aircraft shall stay on Lessee's air operator's certificate and shall be primarily based (having routine overnight stays) at a location in the United States, Mexico or the jurisdiction in which the air operator certificate of any Permitted Sublessee is issued; and
- (h) no Material Event of Default shall have occurred and be continuing at the time of the commencement of such wet lease or charter;

and **provided always that** for any wet leasing such arrangement is by its terms expressly subordinated to this Agreement, the rights of Lessor under this Agreement (and, if applicable, the rights of Owner, any Financing Party or other assignee of Lessor) and to the Aircraft, and Lessee's obligations under this Agreement and the other Operative Documents shall continue in full force and effect notwithstanding any charter or wet lease. Lessee shall give Lessor advance written notice and a copy of any wet lease lasting for a period of more than one year and promptly following receipt of a written request from Lessor, Lessee shall provide Lessor a copy of any wet lease and any related documents to Lessor (subject to redacting any information which Lessee has an obligation to keep confidential and the amount of rent and all other economic terms).

10.3 Subleasing

- (a) So long as no Event of Default has occurred and is continuing (or would result from the execution and delivery or performance of such proposed sublease), Lessee may, (x) without requiring any consent from Lessor, sublease the Aircraft to (A) a Subsidiary of Lessee or its parent that is more than 50% controlled by Lessee and that is located in the same jurisdiction as any of the Pre-Approved Sublessees or (B) to a Pre-Approved Sublessee provided that at such time such Pre-Approved Sublessee is a solvent commercial air carrier or air operator holding a valid air operator's certificate or (y) with the consent of the Lessor (not to be withheld unreasonably or delayed), sublease the Aircraft to any Person not described in clause (x) (a person described in either clause (x) or (y), a "**Permitted Sublessee**"). Any proposed sublease shall satisfy each of the following conditions:

- (i) Lessee shall have given not less than thirty (30) days' prior written notice to Lessor of its intention to enter into any sublease agreement or arrangement (which notice shall include a description of the proposed subleasing arrangements including the identity of the proposed sublessee, the term of the sublease and the proposed delivery date under the sublease) and Lessee shall have provided to Lessor at least ten (10) days' prior to execution of the sublease agreement, a copy of the draft sublease agreement and the draft insurance certificate (it being acknowledged that in any event (x) Lessee may redact the amount of rent and all other economic terms, (y) the below conditions are required to be satisfied prior to commencement of the relevant sublease and (z) the evidence and/or documentation specified below shall be required to be provided to Lessor prior to commencement of the relevant sublease so as to give Lessor a reasonable period of time to review the same);
- (ii) no Event of Default shall have occurred and be continuing at the time of commencement of such sublease;
- (iii) the sublease requires the sublessee to operate the Aircraft on terms that would not cause Lessee to be in default under Clause 9.3 (*Operation of the Aircraft*), maintain the Aircraft on terms that would not cause Lessee to be in default under Clause 11.3 (*Maintenance and Repair*) and (if the sublessee is to maintain Insurances rather than Lessee) insure the Aircraft on terms that would not cause Lessee to be in default under Clause 15 (*Insurance*) and shall contain terms that would not cause Lessee to be in default in relation to the restrictions on interchange and replacement of Engines and Parts contained in Clause 10.4 (*Pooling*) and Clause 12 (*Interchange and Replacement of Engines and Parts*); provided, however that, the rights described in Clause 13(a) shall not be included in any sublease;
- (iv) the sublease shall not permit any further subleasing of the Aircraft;
- (v) the sublease shall not have a term which extends or is capable of extending beyond the Term;
- (vi) on or prior to the commencement of the sublease Lessee shall provide to Lessor evidence satisfactory to Lessor confirming that the Aircraft will continue to be insured in accordance with this Agreement;
- (vii) the sublessee under the sublease shall not at the time of commencement of the relevant sublease be insolvent or otherwise be subject to any events of the type set out in clauses (h) through (j) of Clause 19.1 (*Events*);
- (viii) the sublessee under the sublease shall hold all certificates, licenses, permits and authorizations required for its use and operation of the Aircraft;
- (ix) the sublease shall (A) expressly acknowledge and state that it is subject to and subordinate to this Agreement and the ownership rights of Owner, (B) expressly acknowledge and state that Lessee is not released from any of its obligations under this Agreement, and (C) not grant to any Permitted Sublessee any purchase option or other right to acquire title to the Aircraft; and the sublessee shall execute an acknowledgment addressed to Lessor, Owner and any Financing

Parties Representative confirming the foregoing and acknowledging that the sublease will terminate on or before the Expiry Date;

- (x) Permitted Sublessee shall have a valid air operator's certificate and any other relevant licenses required for the operation of the same type of aircraft as the Aircraft, copies of which documents shall be provided to Lessor;
- (xi) Lessee will use commercially reasonable efforts to obtain and, to the extent Lessee is entitled to receive the same under the sublease, Lessee shall provide Lessor with copies of:
 - (A) if the State of Registration is within the European Union or the Permitted Sublessee operates within the European Union, a letter from the Permitted Sublessee addressed to the European Organisation for the Safety of Air Navigation ("Eurocontrol"), pursuant to which the Permitted Sublessee authorizes Eurocontrol to provide the Lessee with a general statement of account in relation to air navigation charges incurred by it and due to Eurocontrol;
 - (B) if the State of Registration is within the European Union or the Permitted Sublessee operates within the European Union, and if applicable, a letter from the Permitted Sublessee addressed to all governmental entities in the European Union charged with administering any EU emissions trading scheme legislation pursuant to EU Directive 2008/101/EC (amending Directive 2003/87/EC), pursuant to which the Permitted Lessee authorizes such governmental entities to issue to Lessee, upon Lessee's request from time to time, a statement of account of all sums due by the Permitted Sublessee to such governmental entities in respect of the Aircraft and the Permitted Sublessee's fleet;
 - (C) a letter from the Permitted Sublessee addressed to whom it may concern, pursuant to which the Permitted Sublessee grants a general authorization to all relevant airport authorities to issue to Lessee, upon Lessee's request from time to time, a statement of account of all sums due by the Permitted Sublessee to any such authority in respect of the Aircraft and the Permitted Sublessee's fleet; and
 - (D) an Assignment of Insurances in form and substance reasonably satisfactory to Lessor;
- (xii) if the Aircraft is to be maintained by such Permitted Sublessee, Lessee shall procure that Lessor and the Financing Parties Representative is provided with a copy of the matrix and preamble to the Permitted Sublessee's Maintenance Program for the Aircraft;
- (xiii) if the Permitted Sublessee is situated in, or the Aircraft is registered in, a Contracting State for the purposes of Article 4 of the Cape Town Convention, Lessee shall (x) provide to Lessor satisfactory confirmation of the registration of any international interests arising under the Cape Town Convention, (y) use commercially reasonable efforts to obtain an IDERA (if available in such jurisdiction) and, to the extent Lessee receives the same in connection with the

sublease, provide a copy of any such IDERA to Lessor and (z) provide, regardless of the location of any Permitted Sublessee, copies of any deregistration powers of attorney or similar documents for deregistration and export of the Aircraft issued in favor of Lessee; and

- (xiv) Lessee shall provide to Lessor and the Financing Parties Representative a legal opinion (in form and substance satisfactory to the Lessor) from reputable, independent legal counsel acceptable to Lessor acting reasonably. Such opinion shall include but not be limited to:
 - (A) confirmation that all actions, registrations and recordations required under the laws of the sublessee's jurisdiction of organization or any new State of Registration to perfect the interests of Lessor and the Financing Parties Representative in respect of the Aircraft and under the Operative Documents (including the enforceability of this Agreement and any mortgage granted over the Aircraft), including on the International Registry, if applicable, have been effected (or are required to be effected after delivery of the Aircraft under the sublease, in which case Lessee shall procure that such actions, registrations or recordations are completed promptly after such delivery);
 - (B) due authorization, execution and delivery by the Permitted Sublessee of the Permitted Sublease; and
 - (C) the validity and enforceability of the documentary terms of the Permitted Sublease, including with respect to the subordination of the Permitted Sublease to this Agreement, against the proposed Permitted Sublessee.
- (b) If the Aircraft is to be registered in a new State of Registration in connection with a sublease or the termination of a sublease, Lessee shall procure that all filings, recordings and registrations are made to the extent necessary (i) to deregister the Aircraft from the registry maintained by the then existing State of Registration, (ii) to register the Aircraft in the new State of Registration in the name of Owner as owner (and if that is not possible, in the name of Lessee or the sublessee with the interests of Owner, Lessor and Lessee noted in the registry to the extent permitted by applicable Law) in accordance with and to the extent permitted by applicable Law in the new State of Registration, and (iii) to register, record, protect and/or perfect the Security Interest of any Financing Parties Representative in the new State of Registration in accordance with and to the extent permitted by applicable Law in the new State of Registration. Lessor shall co-operate and procure that Owner and the Financing Parties co-operate with Lessee upon reasonable request by Lessee to assist Lessee and/or the sublessee, as the case may be, in promptly making any filings, recordings and registrations in the existing State of Registration and, if applicable, any new State of Registration which are necessary in connection with any subleasing or change in the State of Registration. Lessee shall pay all reasonable and documented costs, expenses and liabilities incurred by Lessor and any Financing Party in connection with such filings, recordings and registrations (and no sublease shall be permitted unless and until such filings, recordings and registrations have been made or arrangements have been made to effect the same following the delivery of the Aircraft under the sublease).

- (c) Lessee shall provide Lessor with a copy of the executed sublease and any amendments thereto within five (5) Business Days after the execution of such sublease or such amendments; such copy may be in electronic form, it being agreed that Lessee may redact the amount of Rent and all other economic terms.
- (d) No subleasing of the Aircraft shall release Lessee from its obligations under this Agreement, and Lessee hereby confirms and agrees that it shall remain fully liable to perform all of its obligations under this Agreement notwithstanding any such subleasing (including the payment of Rent and other payments which shall be paid or otherwise performed by Lessee to Lessor directly and not paid by or from any Permitted Sublessee) and shall be primarily liable for any act or omission of any sublessee in connection with any such subleasing; provided that Lessee's obligations hereunder (other than the payment of Rent and other payments) shall be satisfied to the extent performed by a sublessee.
- (e) Each of Lessor and Lessee may request additions or deletions to the list of Pre-Approved Sublessees on Schedule 13 from time to time and each party shall consider such proposed addition or deletion, as the case may be, in good faith.
- (f) Without duplication of any amounts referred to in Clause 10.3(b), all reasonable out-of-pocket costs and expenses (including reasonable legal fees) incurred and documented by Lessor, Owner or any Financing Party in connection with the consideration and/or implementation of any actual or proposed subleasing of the Aircraft pursuant to this Clause 10.3 shall be for the account of Lessee (including, without limitation, any stamp duty or other documentary Taxes (other than Lessor Taxes) to which any of the Operative Documents are or may become subject).

10.4 Pooling

(a) Pooling of Engines

Lessee shall not permit any Engine to become subject to pooling or interchange arrangements or permit any Engine to go out of its possession pursuant to any such arrangement unless:

- (i) no Event of Default has occurred and is continuing;
- (ii) the installation of the Engine on a Pool Aircraft (as defined below) is in accordance with the provisions of an engine pooling arrangement with the Engine Manufacturer or with an Approved Maintenance Performer or with responsible, commercial air carriers in each case the terms of which Lessor has approved in writing in its sole discretion and which, among other things, contains the following requirements:
 - (A) the Engines will only be installed on an aircraft (a "**Pool Aircraft**") with which it is compatible and which is a Boeing 737 MAX aircraft;
 - (B) the arrangements under which the Pool Aircraft are owned or operated ensure that title to any Engine installed on that aircraft remains vested in Owner following the installation of the Engine on that Pool Aircraft and

shall not jeopardize Owner's, Lessor's or any Finance Party's rights in that Engine;

- (C) the arrangements under which the Pool Aircraft is insured would permit the recovery by Lessor of an amount at least equal to the full replacement value of that Engine upon the Total Loss of that Pool Aircraft (including the Engine) when the Engine is installed thereon; and
- (D) the Engine is re-installed on the Airframe prior to the Expiry Date unless it is replaced by a Replacement Engine in accordance with Clause 12.6.

(b) Pooling of Parts

Lessee may part with possession of any Part pursuant to a pooling or interchange arrangement with one or more responsible, solvent aircraft operators or aircraft, engine or parts manufacturers or suppliers, engine lessors or maintenance providers on terms customary in the industry which do not contemplate transfer of title to the pooled Part to any person.

11. TECHNICAL REPORTING, AIRCRAFT DOCUMENTS, INSPECTION, MAINTENANCE AND REPAIR

11.1 Aircraft Documents

Lessee shall:

- (a) keep accurate, complete and current records (which records shall form part of the Aircraft Documents and, notwithstanding that such records may be generated by Lessee, shall be deemed the property of Owner and leased to Lessee hereunder) as listed in Schedule 7 or as may otherwise be required by the Aviation Authority, the FAA, the Maintenance Program and all applicable Regulations;
- (b) maintain all technical Aircraft Documents in English (except for the cabin rectification log book which may be maintained Spanish) in Lessee's format (which may be microfiche, microfilm, paper or, subject to Clause 11.1(d), digital and/or electronic format or any other form);
- (c) retain and store such Aircraft Documents, as required by the Aviation Authority, the FAA, the Maintenance Program and all applicable Regulations and other materials at either (i) Lessee's or any Permitted Sublessee's principal place of business, (ii) the facility of an Approved Maintenance Performer or (iii) a storage location under Lessee's or any Permitted Sublessee's control, and not permit any other Person (other than an Approved Maintenance Performer or a Permitted Sublessee) to have possession of or control over the same without Lessor's prior written consent;
- (d) subject to compliance with Aviation Authority and FAA requirements, be permitted to maintain some or all of its fleet records in digital and/or electronic format; and
- (e) ensure that no original hard copy Aircraft Documents which are in the possession of or held to the order of the Lessee, any Permitted Sublessee or any Maintenance Performer and are required to be maintained in such original hard copy format by (i)

the Aviation Authority, (ii) the Maintenance Program or (iii) this Agreement shall be destroyed.

11.2 Inspection

- (a) Upon Lessor's request, Lessee shall arrange that at any reasonable time during the Term (but no more than once per calendar year unless an Event of Default has occurred and is continuing, in which case such limitation shall not apply), Lessor or its authorized representatives may inspect the Aircraft and the Aircraft Documents, as provided herein and Lessee shall provide all reasonable assistance and co-operation in connection with such inspection (including facilitating access to the Aircraft and the Aircraft Documents). Any such inspections shall not disrupt Lessee's normal business operations and inspections of the Aircraft shall be limited to a walk-around inspection. During any such inspection, Lessor may, at its own expense, make copies of the Aircraft Documents.
- (b) Each such inspecting Person shall be solely responsible for its cost of conducting an inspection (including all reasonable out-of-pocket expenses and insurance coverage) unless either (i) an inspection reveals that Lessee has failed to comply in any material respect with its obligations under this Agreement, in which case any follow up inspection required to verify that remedial work has been completed will be at Lessee's cost or (ii) an Event of Default has occurred and is continuing in which case the reasonable cost of any inspections reasonably required by the Lessor will be at Lessee's cost.
- (c) Lessor shall not have any duty or obligation to inspect the Aircraft or arising out of such inspection and Lessor shall not incur any liability as a result of non-exercise of any inspection rights in this Clause 11.2.
- (d) Any inspection of the Aircraft (including any Aircraft Documents) shall be solely for Lessor's information and failure to notify Lessee of any discrepancies thereafter shall not imply that Lessee is in compliance with this Agreement, its maintenance provisions or applicable Law.

11.3 Maintenance and Repair

Lessee shall or shall procure that an Approved Maintenance Performer shall, maintain, overhaul and repair the Aircraft so that at all times during the Term:

- (a) the Aircraft is kept airworthy in all respects and in good operating condition and repair and suitable for revenue passenger service at all times except, in either case, while the Aircraft is undergoing maintenance, modification or repair required or permitted by this Agreement;
- (b) Lessee has a current and valid certificate of airworthiness (in the appropriate category for the nature of the operations of the Aircraft) for the Aircraft issued by the Aviation Authority, and Lessee will from time to time provide to Lessor a copy thereof within ten (10) days of Lessor's request;
- (c) the Aircraft is maintained in accordance with the Maintenance Program through an Approved Maintenance Performer and in at least the same manner and with at least

the same care as is the case with respect to similar aircraft owned, leased or otherwise operated by Lessee or, if the Aircraft is being subleased, the Permitted Sublessee (taken as a whole), and as if Lessee were to retain and continue operating the Aircraft in its fleet after the Expiry Date, including maintenance scheduling, modification status and technical condition, and all maintenance to the Airframe, any Engine or any Part required to maintain all warranties applicable to the Aircraft (including the Engines and all Parts) in full force and effect in accordance with their terms;

- (d) the Aircraft complies with all Regulations, Mandatory Orders and Airworthiness Directives, regardless of upon whom such requirements are imposed having a compliance date during the Term;
- (e) Lessee and the Aircraft are each in compliance with any other applicable Regulation which relates to the maintenance, condition, use or operation of the Aircraft or requires any modification or alteration to the Aircraft, any Engine or Part regardless of upon whom such requirements are imposed; and
- (f) any replacement of an Engine or Part in the course of maintenance is in accordance with Clause 12 (*Replacement and Interchange of Engines and Parts*).

11.4 Maintenance Program

- (a) Lessee shall at all times ensure that the Aircraft is subject to the Lessee's maintenance program or, except in connection with redelivery of the Aircraft hereunder, a Permitted Sublessee's maintenance program which, in either case, is approved by the Aviation Authority and based on the Manufacturer's Maintenance Planning Document (the "**Maintenance Program**").
- (b) Upon Lessor's request, Lessee shall furnish to Lessor a copy of the then most current version of the Maintenance Program.

12. REPLACEMENT AND INTERCHANGE OF ENGINES AND PARTS

12.1 Replacement and Interchange of Engines and Parts

- (a) So long as no Event of Default shall have occurred and be continuing, Lessee shall have the right at its option at any time, on prior written notice to Lessor, to permanently replace any Engine with a Replacement Engine by complying with the terms of Clause 12.6 (*Permanent Replacement of Engines and Parts*). Such prior written notice shall be given to Lessor at least [REDACTED] months prior to the Redelivery Date, except in connection with a Total Loss of an Engine or failure of an Engine to meet the Redelivery Conditions.
- (b) Lessee shall promptly replace or procure the replacement of any Part which has become time, cycle or calendar-expired, lost, stolen, seized, confiscated, destroyed, damaged beyond economic repair, unserviceable or permanently rendered unfit for use, in accordance with Clause 12.6 (*Permanent Replacement of Engines and Parts*).
- (c) Lessee shall be entitled to install and permit the installation of engines and parts on the Aircraft other than the Engines and Parts **provided that:**

- (i) a permanent replacement of an Engine or Part shall be in accordance with Clause 12.6 (*Permanent Replacement of Engines and Parts*);
- (ii) a temporary replacement of an Engine shall be in accordance with Clause 12.3 (*Installation of other engines*); and
- (iii) a temporary replacement of a Part shall be in accordance with Clause 12.4 (*Installation of other parts*).

12.2 Removed Engines and Parts

Lessee shall be entitled to remove and permit the removal of an Engine or Part from the Aircraft **provided that:**

- (a) any Removed Engine or Removed Part (as the case may be) is promptly replaced in accordance with Clause 12.1 (*Replacement and Interchange of Engines and Parts*); and
- (b) such Removed Engine or Removed Part:
 - (i) is (x) installed on another aircraft in accordance with Clause 12.5 (*Installation of Engines and Parts on Other Aircraft*), (y) properly and safely stored in accordance with the AMM requirements and procedures, or (z) in the possession of an Approved Maintenance Performer for repair, maintenance, modification and/or refurbishment in accordance with this Agreement;
 - (ii) is kept free of Security Interests (other than Permitted Liens);
 - (iii) continues to be covered by the Insurances; and
 - (iv) remains the property of Owner unless and until there has been a permanent replacement in accordance with Clause 12.6 (*Permanent Replacement of Engines and Parts*) and unless and until title to that Replacement Engine or Replacement Part, as applicable, has passed to Owner pursuant to and in accordance with this Agreement;
- (c) Lessee complies with Clause 9.7 (*Recognition of Rights*) with respect to any Removed Engine and Removed Part; and
- (d) in addition to the foregoing requirements, if a Material Event of Default has occurred and is continuing, Lessee may only remove or permit the removal of an Engine from the Aircraft for the sole purpose of performing necessary maintenance on such Engine.

Lessee shall ensure that any Removed Engine or Removed Part is reinstalled on the Aircraft or permanently replaced by a Replacement Engine or Replacement Part in accordance with Clause 12.6 (*Permanent Replacement of Engines and Parts*) by no later than the Expiry Date.

12.3 Installation of other engines

Lessee may only install and permit the installation of an engine on the Airframe that is not a permanent replacement in accordance with Clause 12.6 (*Permanent Replacement of Engines and Parts*) if:

- (a) such engine is suitable for operation on the Airframe and the installation of such engine on the Airframe is not prohibited by the Aviation Authority;
- (b) such engine is owned by or leased or conditionally sold to Lessee or a Permitted Sublessee or in Lessee's or a Permitted Sublessee's possession pursuant to a pooling arrangement; and
- (c) the Insurances for the Aircraft are not adversely affected.

No later than the Expiry Date, Lessee shall remove any engine that is not an Engine and replace it with the relevant Removed Engine or a Replacement Engine in accordance with Clause 12.6.

12.4 **Installation of other parts**

Lessee may install and permit the installation of any part on the Aircraft that is not a permanent replacement pursuant to Clause 12.6 (*Permanent Replacement of Engines and Parts*) if:

- (a) as soon as reasonably practicable after a part is installed on the Aircraft, but before the Expiry Date, Lessee removes that part and replaces it with the relevant Removed Part or a part that is a permanent replacement pursuant to Clause 12.6; and
- (b) the Insurances for the Aircraft are not adversely affected.

12.5 **Installation of Engines and Parts on Other Aircraft**

- (a) Lessee shall only be entitled to install or permit the installation of a Removed Engine or Removed Part on another aircraft (the "**Other Aircraft**") if such aircraft is operated by Lessee or a Permitted Sublessee or a Person that is a party to a pooling arrangement in accordance with Clause 10.4 and if:
 - (i) Owner remains the owner of the Removed Engine or Removed Part until it is permanently replaced pursuant to Clause 12.6 (*Permanent Replacement of Engines and Parts*) and the Removed Engine or Removed Part does not thereby become subject to a Security Interest (other than a Permitted Lien) and remains subject to this Agreement;
 - (ii) neither the provisions of applicable Law nor the terms of any lease, pooling arrangement or other agreement or Security Interest to which the Other Aircraft is subject, (x) prohibit such installation, or (y) require that the Removed Engine or Removed Part become the property of a Person other than Owner and/or subject to any Security Interest, or (z) will have the effect at any time of divesting or impairing the title and interests of Owner as owner and Lessor as lessor of the Removed Engine or Removed Part (or the rights of the Financing Parties under any Security Interest or assignment in respect of the Removed Engine or Removed Part);

- (iii) such Removed Engine or Removed Part is compatible with the airframe upon which it is installed;
 - (iv) in respect of Removed Engines, the rights of Lessor and any Financing Party are recognized in accordance with Clause 9.8; and
 - (v) no Material Event of Default has occurred and is continuing.
- (b) Lessee shall ensure that any Removed Engine or Removed Part is reinstalled on the Aircraft or permanently replaced by a Replacement Engine or Replacement Part in accordance with Clause 12.6 (*Permanent Replacement of Engines and Parts*) by no later than the Expiry Date.

12.6 Permanent Replacement of Engines and Parts

- (a) If Lessee provides Lessor with a notice under Clause 12.1(a) that it will permanently replace an Engine or if an Engine is subject to a Total Loss, Lessee shall procure that good and marketable title to a Replacement Engine free and clear of all Security Interests other than Permitted Liens is conveyed to Owner and that such Replacement Engine is subject to this Agreement whereupon the Replacement Engine shall be an Engine hereunder and the replaced Engine shall cease to be an Engine. Lessee shall supply to Owner all such title documents as Lessor may reasonably require to evidence and perfect such transfer of title in accordance with all applicable Laws (including the provision if requested by Lessor of bills of sale, any amendments or supplements to this Agreement, legal opinions and any and all applicable filings, including under the UCC), and where the Cape Town Convention applies, the parties shall procure the prompt registration of the transfers of title at the International Registry. Prior to any title transfer permitted hereby, all records described in the definition of "Replacement Engine" for such Replacement Engine shall be made available to Lessor in electronic format.
- (b) Upon installation of a Replacement Part on the Airframe or any Engine, that Replacement Part shall without further act be deemed transferred to and owned by Owner and subject to this Agreement.

12.7 Equipment Changes

- (a) So long as no Event of Default has occurred and is continuing (unless such Equipment Change is required by the Aviation Authority or the FAA) Lessee may from time to time make or permit Equipment Changes as it may consider desirable in the proper conduct of its business and without prior Lessor approval; provided that each such Equipment Change (i) is approved by the Aviation Authority and the FAA, and (ii) (w) is required by the Aviation Authority or the FAA or (x) is a change to or modification of the cabin configuration, the inflight entertainment system or the Wi-Fi system or connection that does not permanently and materially diminish or impair the value or utility of the Aircraft, or (y) has been approved by Lessor in writing, or (z) does not and will not:
- (1) result in (A) a breach of Lessee's obligations under this Agreement, (B) any expense payable by Lessor or (C) any

change in the category or status of the Aircraft for purposes of any laws of the State of Registration or of the Aviation Authority;

- (2) materially diminish or impair the value, utility or airworthiness of the Aircraft; or
 - (3) have a cost in excess of US\$[REDACTED] in 2016 Dollars, with such amount to be escalated by [REDACTED]% per annum on the date of this Agreement and each anniversary thereof.
- (b) Title to any equipment installed on the Aircraft pursuant to an Equipment Change after the Delivery Date that is owned by Lessee will on installation, without further act, vest in Owner and shall be a Part subject to this Agreement free and clear of all Security Interests (other than Permitted Liens). Lessee will at its own expense take all such steps and execute, and procure the execution of, all such instruments as Owner may reasonably require and which are necessary to ensure that title so passes to Owner according to all applicable Laws.
- (c) So long as no Event of Default has occurred and is continuing, Lessee may remove and retain any Equipment Change to the extent it is severable from the Aircraft and (i) such Equipment Change is not required by a Mandatory Order or an Airworthiness Directive, (ii) such severance will not adversely affect the value, utility, condition or airworthiness of the Aircraft in comparison to its value, utility, condition or airworthiness prior to the installation of such Equipment Change, and (iii) such Equipment Change did not constitute directly or by function a replacement of a Part or Parts installed on the Aircraft at Delivery unless the Part or Parts so replaced are reinstalled on the Aircraft. Title to all parts, components, equipment and furnishings comprising any such removed Equipment Change will, on such removal, vest in Lessee free from any claim of Owner or Lessor or Security Interest of the Financing Parties and all such parts, components, equipment and furnishings shall cease to be Parts subject to this Agreement.

12.8 Lessee Title

Following (i) transfer of title of a Replacement Engine or Replacement Part in accordance with Clause 12.6(a) and (b) respectively, or (ii) removal of an Equipment Change in accordance with Clause 12.7(c), title to the replaced Engine or Part or removed Equipment Change will, pass to Lessee on an "AS IS, WHERE IS" basis, without recourse, representation or warranty, except that Owner shall represent and warrant to Lessee that it has conveyed to Lessee such title to such replaced Engine or Part as was conveyed to it free and clear of all Lessor Liens, and Lessor will procure that Owner will (at Lessee's request and cost) provide such documents as Lessee may reasonably require to evidence and perfect such transfer of title in accordance with all applicable Laws (including the provision, if required, to Lessee of bills of sale), and where the Cape Town Convention applies, cooperate with the prompt registration of the transfers of title at the International Registry.

13. MANUFACTURER'S WARRANTIES

- (a) With effect from Delivery and for the duration of the Term, subject to any required consent of any manufacturer, vendor, sub-contractor or supplier, Owner and Lessor hereby make available to Lessee, and authorizes Lessee to exercise, such rights as

Owner and/or Lessor may have under any warranty with respect to the Aircraft, any Engine or any Part made by any manufacturer, vendor, sub-contractor or supplier (including compensation for loss of use of the Aircraft during the Term), to the extent that the same have not otherwise been made available to Lessee pursuant to any other agreement.

- (b) Lessee shall give Lessor prompt written notice of any warranty claim in respect of the Aircraft which is settled with Lessee on the basis of a total or partial cash payment in excess of the Damage Notification Threshold.
- (c) Lessee shall take all reasonable steps and execute all documents as are necessary at the end of the Term to ensure that the benefit of any warranties to which this Clause 13 (*Manufacturer's Warranties*) applies and which have not expired is vested in Owner including all claims thereunder (whether or not perfected and not including any claims relating to Lessee's loss of use and operation of the Aircraft); provided, that in the event Lessee is required to pursue any such claims, Lessee will agree to do so only upon receipt of satisfactory indemnification for costs and expenses from Lessor, provided further that Lessee shall provide evidence of such costs and expenses to Lessor.

14. INDEMNITIES

14.1 General

Lessee agrees to assume liability for (as between itself and the Indemnitees), and to defend and indemnify and hold harmless each of the Indemnitees against any and all Losses (without duplication):

- (a) which may at any time be suffered or incurred by any Indemnatee directly or indirectly as a result of, arising from or connected with the possession, delivery, purchase, sale, ownership, importation, transportation, pooling, interchange, leasing, subleasing, wet leasing, chartering, storage, registration, de-registration, insurance, replacement, maintenance, modification, refurbishment, requisition, condition, service, repair, overhaul, control, management, use, operation, exportation or redelivery of the Aircraft, any Engine or Part (either in the air or on the ground), whether or not such Losses may be attributable to any defect in the Aircraft, any Engine or any Part or to its design, testing or use or otherwise, and regardless of whether it arises out of or is attributable to any act or omission, negligent or otherwise, of any Indemnatee;
- (b) which arise as a result of the prevention or attempt to prevent the arrest, confiscation, seizure, taking in execution, impounding, forfeiture of the Aircraft or in securing release of the Aircraft, unless the foregoing occurs as a result of a Lessor Lien;
- (c) which may at any time be suffered or incurred as a consequence of any design, testing, use of any article or material in the Aircraft, any Engine or any Part, including any defect therein (regardless of whether it is discoverable) or its operation or use constituting an infringement of patent, copyright, trademark, design or other proprietary right; or

- (d) any breach by the Lessee of its obligations under the Operative Documents (including, without limiting the generality of the foregoing, a late payment or non-payment of any amount due hereunder);

but excluding any Loss in relation to a particular Indemnatee to the extent that such Loss:

- (i) is attributable to the Gross Negligence or willful misconduct of any Indemnatee; or
- (ii) is attributable to a Lessor Tax or a Lessor Lien; or
- (iii) is a Tax (without prejudice to any Indemnatee's rights under any other provision of this Agreement); or
- (iv) is attributable to acts or events which occur before the Delivery Date or after the Aircraft has been redelivered to Lessor in compliance with Clause 19 (*Redelivery*) and is no longer subject to this Agreement, unless any such act or event is attributable to an act, omission, event or circumstance which occurred during the Term; or
- (v) is attributable to the breach by any Indemnatee of this Agreement or any other Operative Document or any misrepresentation made herein but excluding any such breach which is attributable to or arises out of an Event of Default; or
- (vi) constitutes the ordinary and usual operating and overhead expenses of an Indemnatee; or
- (vii) arises in respect of any voluntary sale, assignment, conveyance, transfer or other disposition by any Indemnatee of (x) the Aircraft, an Engine or any interest therein that is not a replacement thereof under this Agreement or (y) any interest in this Agreement or any other Operative Document, except any sale, assignment, transfer or other disposition following the occurrence and during the continuance of an Event of Default;
- (viii) is in respect of any claim for currency indemnification, which shall instead be subject to Clause 7.4;
- (ix) represents or results from any decline in the market value of the Aircraft unless such decline is a result of or in connection with an Event of Default;
- (x) represents or results from a failure of such Indemnatee to realize any anticipated profit;
- (xi) is a Loss for which Lessor or any other Indemnatee has expressly agreed to be responsible under any other provision of this Agreement or any other Operative Document;
- (xii) represents or arises out of a claim by any Financing Party against any Lessor Party or its Affiliates other than any such claim that constitutes Breakage Costs for which Lessee has agreed to indemnify Lessor pursuant to Clause 3.2; or

- (xiii) is indemnified against elsewhere in this Agreement or any other Operative Document.

14.2 Notification and Contest

Each Indemnitee intending to claim any amounts from Lessee pursuant to Clause 14.1 (*General*), shall promptly notify Lessee in writing of any matter of which such Indemnitee, has received written notice and for which Lessee is obligated to indemnify under this Clause 14 (each a “**Claim**”); **provided, however**, the delay or failure of such Indemnitee to give notice to Lessee in accordance with this Clause 14.2 will not discharge or release Lessee from any of its indemnity obligations under Clause 14.1 except, and only to the extent, that such delay or failure prejudices Lessee’s right to defend any such Claim or results in an increase in the amount which Lessee is required to indemnify (in such case to the extent of such increase). Lessor (and/or any other Indemnitee seeking indemnification, as the case may be) and the Lessee shall, if and for so long as no Event of Default is continuing, then consult with one another in good faith for a period not exceeding fifteen (15) Business Days in order to determine what action (if any) may reasonably be taken to avoid or mitigate such Claim. Following such consultation the Lessee shall have the right to take all reasonable action (on behalf, and, if necessary, in the name, of the Lessor and/or such other Indemnitee) in order to resist, defend or compromise (provided such compromise is accompanied by payment) any claims by third parties giving rise to such Claim, providing always that the following conditions are met or (as the case may be) complied with:

- (i) the Lessor (and/or any other such Indemnitee), shall have received adequate provision satisfactory to it (acting reasonably) for any liability expense or losses arising out of or related to such contest and if the Lessor or relevant Indemnitee is required by law to pay the Claim, the Lessee shall have complied with its obligation to indemnify the Lessor or such Indemnitee in respect thereof;
- (ii) no Event of Default occurs or has occurred which is continuing;
- (iii) such contest will not result in any danger of the sale, forfeiture or loss of, or the creation of any lien (other than any Permitted Lien) on, the Aircraft;
- (iv) such contest does not involve any risk of criminal liability or any material risk of reputational harm on the part of Lessor or relevant other Indemnitee.

Where Lessee or its insurers undertake the defense of an Indemnitee with respect to a Claim, no additional legal fees or expenses of such Indemnitee in connection with such defense of such Claim shall be indemnified hereunder unless such fees or expenses were incurred at the request of Lessee or such insurers or were incurred prior to Lessee’s assumption of the defense of such Claim; provided, that if in the reasonable opinion of such Indemnitee an actual or potential material conflict of interest exists such that it is advisable for such Indemnitee to be represented by separate counsel, the reasonable fees and expenses of such separate counsel shall be borne by Lessee. Subject to the requirements of any policy of insurance, any Indemnitee may participate at its own expense in any judicial proceeding controlled by Lessee or an insurer pursuant to the preceding provisions, and such participation shall not constitute a waiver of the indemnification provided in this Clause 14.

14.3 Refunds

Any sums paid by the Lessee to the Lessor and/or any other Indemnatee in respect of any Claim pursuant to Clauses 14.1 (*General*) and 14.2 (*Notification and Contest*) shall be paid subject to the condition that, in the event that the Lessor or such Indemnatee (whichever received the payment) is subsequently reimbursed in respect of that Claim by any other Person, subject to Clause 7.8, the Lessor or such Indemnatee (whichever received the payment) shall promptly pay to the Lessee an amount equal to the sum paid to it by the Lessee (not to exceed the amount subsequently reimbursed by such other Person) less any Tax payable by the Lessor or such Indemnatee in respect of such reimbursement and less any costs and expenses incurred by Lessor or such Indemnatee in obtaining such reimbursement (to the extent that Lessor or such Indemnatee has not been reimbursed for such costs and expenses by the Lessee).

14.4 Subrogation

Upon the payment in full of any indemnity pursuant to this Clause 14 by Lessee, Lessee will be subrogated to any right of the relevant Indemnatee in respect of the matter against which such indemnity has been made.

14.5 Duration

The indemnities and obligations contained in this Agreement will continue in full force after the expiration, cancellation or other termination of this Agreement notwithstanding any breach or repudiation of this Agreement by Lessor or Lessee or the termination of the leasing of the Aircraft under this Agreement.

14.6 Miscellaneous

Notwithstanding the foregoing, no Indemnatee shall be required to take or omit to take, any action if the effect of such action or omission would reasonably be expected to adversely affect such Indemnatee (or its business affairs or reputation) or would be contrary to applicable law. Nothing in this Clause 14 shall in any way limit or diminish the obligations of the Lessee under this Agreement and the other Operative Documents to indemnify the Lessor or the other Indemnitees.

15. INSURANCE

15.1 Insurances

- (a) Lessee shall, at its own expense, obtain and maintain the Insurances in full force during the Term and thereafter and, in each case, as required by this Agreement which shall have such deductibles and be subject to such exclusions as may (in each case) be permitted by this Agreement or as otherwise approved by Lessor (acting reasonably) and with such insurers, brokers and underwriters complying with Clause 15.1(b).
- (b) The Insurances shall be effected either:
 - (i) on a direct basis with insurers of recognized international standing who normally participate in aviation insurances in the leading international insurance markets and led by reputable underwriter(s) and through brokers of recognized international standing; or

- (ii) with a single insurer or group of insurers who do not fully retain the risk but effect substantial reinsurance with reinsurers who normally participate in aviation insurances in the leading international insurance markets and through brokers, each of recognized standing.

15.2 Requirements

Requirements as to the Insurances are as specified in this Clause 15 (*Insurance*) and in Schedule 5 (*Insurance Requirements*).

15.3 Insurance Covenants

Lessee shall:

- (a) comply with the terms and conditions of each policy of the Insurances and any applicable Regulations and not do, consent or agree to any act or omission which:
 - (i) invalidates the Insurances; or
 - (ii) renders void or voidable the whole or any part of any of the Insurances; or
 - (iii) brings any particular insured liability within the scope of an exclusion or exception to the Insurances;
- (b) not, without the prior written consent of Lessor (acting reasonably) take out any insurance or procure any reinsurance in respect of the Aircraft other than those required to be maintained by Lessee under this Agreement unless relating solely to liability insurance, hull total loss, business interruption, profit commission and deductible risk;
- (c) on request, provide to Lessor such documents and information as may be reasonably requested by Lessor (i) in respect of claims made under the insurances or (ii) evidencing payment of Insurance premiums (including daily status updates of payment or non-payment of premiums after issuance of any notice of cancellation for failure to pay premiums until such time as the policy is reinstated);
- (d) if at any time insurance clause AVN 2000A or its successor is endorsed on the policies of Insurance, ensure that the insurance write back clauses AVN 2001A and AVN 2002A as applicable (or any equivalent clauses) are endorsed on the policies of Insurance required to be maintained under this Agreement and give and comply with all representations, warranties and undertakings required by the insurers or reinsurers in connection with such clauses; and
- (e) provide any other information and assistance in respect of the Insurances which Lessor may from time to time reasonably request.

15.4 Renewal of Insurances

- (a) Lessee shall commence renewal procedures at least thirty (30) days prior to the expiry of any Insurances, and provide to Lessor upon written request:

- (i) written confirmation that Lessee has begun renewal negotiations and when such negotiations are expected to be completed; and
 - (ii) provided Lessor has requested confirmation at least five (5) days prior to the expiry date of the Insurances, written confirmation on or prior to such expiry date of the completion of renewal on or before such expiry date.
- (b) Lessee will provide, or procure and notify Lessor that there is made available on a website to which Lessor has access, certificates of insurance (and where appropriate certificates of reinsurance), and a brokers' and any reinsurance brokers' letter of undertaking in a form acceptable to Lessor in English, detailing the coverage and confirming the insurers' (and any reinsurers') agreement to the specified insurance requirements of this Agreement as soon as practicable but in any event on the earlier of (i) five (5) days following the renewal of the insurances and (ii) the later of (A) two (2) days and (B) one (1) Business Day following the expiry date of the insurances.

15.5 Failure to Insure

If Lessee fails to maintain the Insurances in compliance with this Agreement, Lessor will be entitled but not bound (without prejudice to any other rights of Lessor under this Agreement):

- (a) to pay the premiums due or to effect and maintain insurances satisfactory to it or otherwise remedy Lessee's failure in any manner (including, without limitation to effect and maintain an owner's interest policy) as Lessor considers appropriate, and any sums so expended by Lessor will become immediately due and payable by Lessee to Lessor together with interest thereon at the Default Rate, from the date of expenditure by Lessor up to the date of reimbursement by Lessee; and
- (b) at any time while such failure is continuing to require the Aircraft to remain grounded at any airport or maintenance facility until the failure is remedied to its satisfaction.

15.6 Continuing Insurance for Indemnity

Except in case of a Total Loss, for a period ending on the earlier of the two year anniversary of the Expiry Date and the next due C Check after the Expiry Date, Lessee shall effect and maintain for the benefit of the Indemnitees ongoing liability insurance in respect of all of the risks and liabilities covered by the insurance required by paragraph 1(d) of Schedule 5 (*Insurance Requirements*). Additionally, if required to provide such insurance pursuant to a transfer in accordance with Clause 21.2 (*Lessor Transfer*) that provides for any transferring Indemnatee to be named as an additional insured, Lessee shall effect and maintain for the benefit of such Indemnitees ongoing liability insurance in respect of all of the risks and liabilities covered by the insurance required by paragraph 1(d) of Schedule 5 (*Insurance Requirements*) for a period ending on the earlier of the two year anniversary of such transfer and the next due C Check after such transfer.

15.7 Application of Insurance Proceeds

As between Lessor and Lessee all insurance proceeds shall be paid in accordance with Clause 6 of Schedule 5 (*Insurance Requirements*).

16. LOSS, DAMAGE AND REQUISITION

16.1 Total Loss prior to Delivery

If a Total Loss occurs prior to Delivery, this Agreement shall immediately terminate, and except as expressly stated in this Agreement neither party will have any further obligation or liability under this Agreement other than:

- (a) pursuant to Clauses 14.1(*Indemnity*), 22.3 (*Expenses*) and 22.10 (*Confidentiality*); and
- (b) subject to Clause 7.8, Lessor will pay Lessee promptly and in any event within [REDACTED] days an amount equal to the amount of Security Deposit paid by Lessee prior to the date of such Total Loss and not applied in accordance with Clause 6 (*Security Deposit*), or return the Letter of Credit, as applicable.

16.2 Total Loss after Delivery

- (a) If a Total Loss of the Aircraft or Airframe occurs after Delivery, Lessee shall:
 - (i) pay the Agreed Value to Lessor on or prior to the Total Loss Payment Date together with any unpaid Rent calculated up to and including such date; and
 - (ii) continue to perform those of its obligations that remain capable of performance (including, for the avoidance of doubt, the payment of Rent) up to and including the Total Loss Payment Date.
- (b) Subject to the rights of any insurers and reinsurers or other third parties, upon irrevocable payment in full to Lessor of the Agreed Value and all other amounts which may be or become payable to Lessor under this Agreement, Owner shall transfer to Lessee all of Owner's right, title and interest in and to the Aircraft including any Engines and Parts not installed when the Total Loss occurred, on an "AS IS, WHERE IS" basis and without recourse, representation or warranty (except a representation and warranty that Owner is transferring such title to the Aircraft as it received free from all Lessor Liens), and Owner and/or Lessor shall provide such documents as Lessee may reasonably require (at Lessee's cost) to evidence and perfect such transfer of title in accordance with all applicable Laws (including the provision, if required, to Lessee of bills of sale and removal of any International Interests created by this Agreement from the International Registry).
- (c) Upon a Total Loss of any Engine not involving a Total Loss of the Airframe, Lessee shall give Owner prompt written notice thereof, and Lessee shall replace the Engine that suffered the Total Loss by procuring that title to a Replacement Engine is conveyed to Owner in accordance with Clause 12.6 (*Permanent Replacement of Engines and Parts*) within [REDACTED] days of the Total Loss Date in respect of such Total Loss; provided that Lessee shall have an additional [REDACTED] days to replace such Engine if Lessee notifies Lessor prior to the end of such [REDACTED] day period that Lessee does not have a suitable Replacement Engine and reasonably believes that it will have a suitable Replacement Engine available during such additional [REDACTED] day period.

- (d) After a Total Loss of the Aircraft, Airframe or an Engine, Owner and Lessor shall, and shall procure that the Financing Parties shall, promptly complete any documents provided by the insurers or reinsurers necessary for such insurers or reinsurers to release the proceeds of the Insurances.

16.3 Requisition

- (a) During any requisition for use or hire of the Aircraft, any Engine or any Part which does not constitute a Total Loss:
 - (i) the Rent and other amounts payable under this Agreement will not be suspended or abated either in whole or in part, and Lessee will not be released from any of its other obligations under the Agreement (other than operational obligations with which Lessee is unable to comply solely by virtue of the requisition);
 - (ii) so long as no Event of Default has occurred and is continuing, Lessee shall be entitled to any rent or fees paid by the requisitioning authority in respect of the Term;
 - (iii) Lessee shall, as soon as practicable after the end of any such requisition, cause the Aircraft to be put into the condition required by this Agreement; and
 - (iv) Lessor shall be entitled to all compensation payable by the requisitioning authority in respect of any change in the structure, state or condition of the Aircraft arising during the period of requisition, and Lessor shall apply such compensation in reimbursing Lessee for the cost of complying with its obligations under this Agreement in respect of any such change, provided that, if any Event of Default has occurred and is continuing, Lessor may apply the compensation in or towards settlement of any amounts owing by Lessee under this Agreement.

17. DISCLAIMERS

LESSOR AND LESSEE AGREE THAT THE DISCLAIMERS, WAIVERS AND CONFIRMATIONS SET FORTH IN CLAUSES 17.1 (*EXCLUSION*) TO 17.5 (*CONFIRMATION*) SHALL APPLY AT ALL TIMES WITH EFFECT FROM LESSEE'S ACCEPTANCE OF THE AIRCRAFT IN ACCORDANCE WITH CLAUSE 3, WHICH ACCEPTANCE SHALL BE CONCLUSIVE EVIDENCE THAT LESSEE HAS FULLY INSPECTED THE AIRCRAFT AND EVERY PART THEREOF AND THAT THE AIRCRAFT, THE ENGINES, THE PARTS AND THE AIRCRAFT DOCUMENTS ARE TECHNICALLY ACCEPTABLE TO LESSEE, INDEPENDENT OF AND WITHOUT RELIANCE ON ANY STATEMENT OR REPRESENTATION MADE BY LESSOR, OWNER OR ANY AFFILIATE, AGENT, EMPLOYEE OR CONTRACTOR THEREOF, AND SATISFY THE DELIVERY CONDITION SPECIFICATION AND ARE IN SUITABLE CONDITION FOR DELIVERY TO AND ACCEPTANCE BY LESSEE EXCEPT AS MAY OTHERWISE BE EXPRESSLY SET FORTH IN THE ACCEPTANCE CERTIFICATE AND ACKNOWLEDGED IN WRITING BY LESSOR:

17.1 Exclusion

THE AIRCRAFT IS TO BE LEASED AND DELIVERED HEREUNDER "AS IS, WHERE IS", AND LESSEE AGREES AND ACKNOWLEDGES THAT:

- (a) LESSOR, OWNER AND THE OTHER INDEMNITEES WILL HAVE NO LIABILITY IN RELATION TO, AND NEITHER LESSOR NOR ANY OTHER INDEMNITEE HAS MADE OR GIVEN NOR WILL BE DEEMED TO HAVE MADE OR GIVEN (WHETHER BY VIRTUE OF HAVING DONE OR FAILED TO DO ANY ACT, OR HAVING ACQUIRED OR FAILED TO ACQUIRE ANY STATUS UNDER OR IN RELATION TO THIS AGREEMENT OR OTHERWISE), ANY WARRANTIES, CONDITIONS OR REPRESENTATIONS, EXPRESS OR IMPLIED, WITH RESPECT TO, THE AIRCRAFT OR ANY ENGINE OR PART UNDER THIS AGREEMENT INCLUDING THE TITLE, DESCRIPTION, AIRWORTHINESS, COMPLIANCE WITH SPECIFICATIONS, OPERATION, MERCHANTABILITY, QUALITY, FREEDOM FROM INFRINGEMENT OF PATENT OR OTHER PROPRIETARY RIGHTS, THE ACCURACY, VALIDITY, TRACEABILITY OR COMPLETENESS OF ANY AIRCRAFT DOCUMENTS, THE FITNESS FOR ANY PARTICULAR USE OR PURPOSE, VALUE, DURABILITY, CONDITION, OR DESIGN, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP, THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, OR AS TO ANY OTHER MATTER WHATSOEVER, EXPRESS OR IMPLIED (INCLUDING ANY IMPLIED WARRANTY ARISING FROM A COURSE OF PERFORMANCE OR DEALING OR USAGE OR TRADE) WITH RESPECT TO THE AIRCRAFT, ANY ENGINE OR ANY PART OR ANY SERVICES PROVIDED BY LESSOR OR OWNER UNDER THIS AGREEMENT; PROVIDED THAT THIS CLAUSE A SHALL NOT APPLY TO LESSOR'S REPRESENTATION AND WARRANTY SET FORTH IN CLAUSE 2(g) OF SCHEDULE 2; AND
- (b) NEITHER LESSOR NOR ANY OTHER INDEMNITEE SHALL HAVE ANY OBLIGATION OR LIABILITY WHATSOEVER TO LESSEE (WHETHER ARISING IN CONTRACT OR IN TORT, AND WHETHER ARISING BY REFERENCE TO NEGLIGENCE OR STRICT LIABILITY OR OTHERWISE) FOR:
 - (i) ANY LIABILITY, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY BY THE AIRCRAFT OR ANY ENGINE OR BY ANY INADEQUACY THEREOF OR DEFICIENCY OR DEFECT THEREIN OR BY ANY OTHER CIRCUMSTANCE IN CONNECTION THEREWITH;
 - (ii) THE USE, OPERATION OR PERFORMANCE OF THE AIRCRAFT OR ANY RISKS RELATING THERETO;
 - (iii) ANY INTERRUPTION OF SERVICE, LOSS OF BUSINESS OR ANTICIPATED PROFITS OR ANY OTHER DIRECT, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE; OR
 - (iv) THE DELIVERY, OPERATION, SERVICING, MAINTENANCE, REPAIR, IMPROVEMENT OR REPLACEMENT OF THE AIRCRAFT, ANY ENGINE OR ANY PART.

17.2 Waiver

LESSEE HEREBY WAIVES, AS BETWEEN ITSELF AND LESSOR AND EACH OTHER INDEMNITEE, ALL ITS RIGHTS IN RESPECT OF ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, ON THE PART OF LESSOR OR ANY OTHER INDEMNITEE AND ALL CLAIMS AGAINST LESSOR AND ANY OTHER INDEMNITEE HOWSOEVER AND WHENEVER ARISING AT ANY TIME IN RESPECT OF OR OUT OF THE MATTERS EXPRESSLY WAIVED IN CLAUSE 17.1 (*EXCLUSION*). LESSEE FURTHER AGREES THAT, ITS ONLY RIGHT WITH RESPECT TO A DEFAULT BY LESSOR UNDER THIS AGREEMENT IS TO MAKE A CLAIM AGAINST LESSOR FOR ACTUAL DAMAGES RESULTING DIRECTLY THEREFROM. LESSEE HEREBY WAIVES ANY AND ALL OTHER RIGHTS OR REMEDIES IT MAY HAVE UNDER ARTICLE 2A OF THE UCC (INCLUDING WITHOUT LIMITATION 2A-211, 2A-406 AND 2A-508 THROUGH 2A-522) AS IN EFFECT IN THE STATE OF NEW YORK, OR OTHERWISE.

17.3 Disclaimer of Consequential Damages

EACH PARTY HEREBY AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, IT SHALL NOT BE ENTITLED TO RECEIVE AND HEREBY DISCLAIMS AND WAIVES ANY RIGHT THAT IT MAY OTHERWISE HAVE TO RECOVER LOST PROFITS, LOST REVENUE OR OTHER CONSEQUENTIAL, SPECIAL, INCIDENTAL, INDIRECT OR PUNITIVE DAMAGES AS A RESULT OF ANY BREACH OR ALLEGED BREACH BY ANY OTHER PARTY OF ANY OF THE AGREEMENTS CONTAINED IN THIS AGREEMENT.

17.4 No Duties

LESSEE ACKNOWLEDGES AND AGREES THAT NEITHER LESSOR NOR OWNER NOR LESSOR GUARANTOR HAS ANY FIDUCIARY OR OTHER DUTIES TO LESSEE WHATSOEVER, AND THAT LESSOR'S, OWNER'S AND LESSOR GUARANTOR'S ONLY OBLIGATIONS TO LESSEE ARE THOSE OBLIGATIONS EXPRESSLY SET FORTH HEREIN AND THE OTHER OPERATIVE DOCUMENTS TO WHICH EACH IS A PARTY.

17.5 Confirmation

LESSEE CONFIRMS THAT IT IS FULLY AWARE OF THE PROVISIONS OF THIS CLAUSE 17 (*DISCLAIMERS*) AND ACKNOWLEDGES THAT RENT AND OTHER AMOUNTS PAYABLE UNDER THIS AGREEMENT HAVE BEEN CALCULATED TAKING ITS PROVISIONS INTO ACCOUNT.

18. REDELIVERY; PURCHASE OPTION

18.1 Redelivery

- (a) On the Expiry Date or (if earlier) the date of required redelivery of the Aircraft pursuant to Clause 19.2 (*Lessor's Rights*), Lessee shall (unless a Total Loss has occurred or Lessee has delivered a Purchase Option Notice that has not terminated in accordance with the proviso to Clause 18.7(b)) redeliver the Aircraft and Aircraft Documents (which shall include each of the documents referred to in Schedule 7 (*Aircraft Documents at Redelivery*)) to Lessor at Lessee's expense at the Redelivery Location in

accordance with the procedures, and in compliance with the conditions set forth, in Schedule 8 (*Redelivery Conditions*).

- (b) If requested by Lessor, Lessee shall deregister the aircraft from the State of Registration and shall co-operate with Lessor in facilitating the export of the Aircraft in accordance with Schedule 8 paragraph A.
- (c) On the Redelivery Date, Lessee shall pay to Lessor all Redelivery Maintenance Payments due and owing pursuant to and calculated in accordance with Part B of Schedule 4 (*Redelivery Maintenance Payments*). For the avoidance of doubt, no Redelivery Maintenance Payments are payable in the event of an Aircraft or Airframe Total Loss or if Lessee has delivered a Purchase Option Notice that has not terminated in accordance with the proviso to Clause 18.7(b).
- (d) Notwithstanding any other provision hereof to the contrary, Lessee shall not be obligated to pay Rent in respect of any period after the date on which the Aircraft complies with the conditions set forth in Schedule 8 (*Redelivery Conditions*) to be complied with prior to redelivery and Lessee has tendered the Aircraft for redelivery to Lessor at the Redelivery Location.

18.2 Non-Compliance

Unless Lessee has delivered a Purchase Option Notice that has not terminated in accordance with the proviso to Clause 18.7(b), if on the Scheduled Expiry Date or the Scheduled Renewal Term Expiry Date, as applicable, the condition of the Aircraft does not comply with this Agreement (regardless of the circumstance), then:

- (a) Lessee shall rectify the non-compliance and or compensate Lessor as contemplated by Schedule 8 (*Redelivery Conditions*) and to the extent that the non-compliance (including failure to pay any sum in lieu of compliance as permitted by the terms of Schedule 8 (*Redelivery Conditions*)) extends beyond the Scheduled Expiry Date or if applicable, the Scheduled Renewal Term Expiry Date, the Term will be automatically extended solely for the purpose of enabling such non-compliance to be rectified;
- (b) Lessee shall not use the Aircraft in flight operations except such operations required for the redelivery of the Aircraft to Lessor;
- (c) all Lessee's obligations and covenants under this Agreement will remain in full force until Lessee so redelivers the Aircraft; and
- (d) Lessee shall pay rent to Lessor for the period during which the Term is so extended in the following amounts:
 - (i) during the period from (and including) the Scheduled Expiry Date or the Scheduled Renewal Term Expiry Date, as applicable, to (and including) the 30th day after such Scheduled Expiry Date or Scheduled Renewal Term Expiry Date, an amount equal to [REDACTED] of the Rent payable immediately before the Scheduled Expiry Date or the Scheduled Renewal Term Expiry Date, as applicable;

- (ii) during the period from (and including) the 31st day after the Scheduled Expiry Date or the Scheduled Renewal Term Expiry Date, as applicable, to (and including) the 45th day after such Scheduled Expiry Date or Scheduled Renewal Term Expiry Date, an amount equal to [REDACTED] of the Rent payable immediately before the Scheduled Expiry Date or the Scheduled Renewal Term Expiry Date, as applicable; and
- (iii) thereafter, an amount equal to [REDACTED] of the Rent payable immediately before the Scheduled Expiry Date or the Scheduled Renewal Term Expiry Date, as applicable,

such rent amounts to be paid monthly [REDACTED] and to be prorated to reflect the actual number of days during each such period.

18.3 Redelivery after Non-Compliance

Unless Lessee has delivered a Purchase Option Notice that has not terminated in accordance with the proviso to Clause 18.7(b), if on the Expiry Date, the condition of the Aircraft does not comply with this Agreement (regardless of the circumstance), then Lessor may elect (either on first tender of the Aircraft for redelivery or at any time during a period of extension pursuant to Clause 18.2(a)) to accept redelivery of the Aircraft notwithstanding non-compliance with Clause 18.1 (*Redelivery*) or Schedule 8 (*Redelivery Conditions*), in which case Lessee shall pay or reimburse Lessor its reasonable and documented costs of putting the Aircraft into the condition required by this Agreement. Any discrepancies between the condition of the Aircraft and Aircraft Documents and the Redelivery Conditions resolved by payment of compensation pursuant to the third paragraph of Schedule 8 (*Redelivery Conditions*) or Clause I of Schedule 8 (*Redelivery Conditions*) shall not constitute non-compliance for purposes of this clause.

18.4 Export Documents

After redelivery of the Aircraft, and if requested by Lessor and subject to Lessor's cooperation therewith, Lessee shall provide to Lessor, [REDACTED], all documents necessary to export the Aircraft from the State of Registration (including, without limitation, a valid and subsisting (x) export license, and (y) if provided by the State of Registration, an export certificate of airworthiness for the Aircraft, [REDACTED] required in relation to the deregistration of the Aircraft with the Aviation Authority or the re-registration of the Aircraft with another aviation authority.

18.5 Acceptance and Acknowledgement

When the Aircraft complies with the conditions set forth in Schedule 8 (*Redelivery Conditions*) to be complied with before redelivery and Lessee tenders the Aircraft to Lessor at the Redelivery Location, Lessor shall accept redelivery and Lessor shall deliver to Lessee the Redelivery Acceptance Certificate confirming that Lessee has redelivered the Aircraft to Lessor in accordance with this Agreement.

18.6 Cooperation with Remarketing

Unless Lessee has delivered a Purchase Option Notice that has not terminated in accordance with the proviso to Clause 18.7(b), during the last [REDACTED] months of the Term, Lessee shall co-operate in all reasonable respects with the efforts of Lessor to lease or sell the Aircraft,

including, without limitation, permitting potential lessees or purchasers to inspect the Aircraft and the records relating thereto **provided** that the same shall not interfere with Lessee's use or maintenance of the Aircraft or require Lessee to incur out-of-pocket expenses for which it is not reimbursed and Lessor shall use commercially reasonable efforts to minimize the number and frequency of such inspections.

18.7 **Purchase Option**

- (a) Lessee may, on the Scheduled Expiry Date or, if the Term has been extended for one or more Renewal Lease Terms, the Scheduled Renewal Term Expiry Date for the then current Renewal Lease Term (the "**Purchase Date**"), purchase the Aircraft on such date in "as is, where is" condition by providing an irrevocable written notice (a "**Purchase Option Notice**") at least [REDACTED] months prior to the Purchase Date.
- (b) Notwithstanding anything to the contrary in this Agreement or any other Operative Document, any Purchase Option Notice shall be irrevocable and shall constitute an unconditional obligation of Lessee to purchase the Aircraft hereunder for the Purchase Option Purchase Price; provided that if Owner and Lessee cannot agree the Purchase Option Purchase Price within [REDACTED] days of the delivery of the Purchase Option Notice, the Purchase Option Notice and Lessee's obligation to purchase the Aircraft shall automatically terminate unless the parties otherwise agree in writing.
- (c) Upon receipt of a Purchase Option Notice, Lessee and Owner shall enter into good faith negotiations with respect to the purchase price for the Aircraft to be paid by Lessee (the "**Purchase Option Purchase Price**"). If the Purchase Option Purchase Price is agreed between Lessee and Owner within [REDACTED] days of the receipt of the Purchase Option Notice, the Purchase Option Purchase Price shall be documented in a purchase agreement within a further period of [REDACTED] days, which shall be in form and substance acceptable to Lessee and Owner. Thereupon, (i) Lessee and Owner shall promptly execute and deliver such purchase agreement, (ii) Lessee shall provide (x) written evidence of appropriate corporate action authorizing execution and delivery of such purchase agreement and (y) evidence of the issuance of each approval, license and consent which may be required in connection with such purchase agreement; and (iii) Owner shall provide (x) written evidence of appropriate corporate action on the part of Owner and Lessor Guarantor, if applicable, authorizing the execution and delivery of such purchase agreement and any such guarantee and (y) evidence of the issuance of each approval, license and consent which may be required in connection with such purchase agreement and any such guarantee.
- (d) If Lessee has delivered a Purchase Option Notice and Lessee and Owner have agreed the Purchase Option Purchase Price pursuant to Clause 18.7(c), then on the Purchase Date Owner will transfer to Lessee or its nominee all of the right, title and interest in and to the Aircraft (including, subject to the consent of the Manufacturer of the Airframe and the Manufacturer of the Engines, any warranties relating thereto and assigned to Owner or Lessor) of the Lessor in "as-is, where-is" condition, without representation or warranty of any kind, except that Owner will warrant that Lessee will acquire such title to the Aircraft as was delivered to Owner or its predecessor on the Delivery Date free and clear of all Lessor Liens.

- (e) Lessor shall procure that the Owner complies with its obligations under this Clause 18.7.

19. EVENTS OF DEFAULT

19.1 Events

Each of the following events will constitute an Event of Default, a “default” under the Cape Town Convention and a breach of this Agreement by Lessee:

- (a) **Non-payment:** Lessee fails to make any payment of Rent under this Agreement within [REDACTED] Business Days after such payment is due, or Lessee fails to make any other payment when due hereunder or under any other Operative Document and the failure to make such other payment continues for [REDACTED] Business Days after Lessee receives written notice of such failure; or
- (b) [REDACTED]
- (c) **Insurance:**
 - (i) Lessee fails to maintain or cause to be maintained the Insurances as required by Clause 15 (*Insurance*) or Schedule 5 (*Insurance Requirements*);
 - (ii) The Aircraft is operated at a time or in a place where any insurance required by Clause 15 (*Insurance*) and Schedule 5 (*Insurance Requirements*) is not in effect, unless such operation is temporary in nature and due to an emergency landing; or
 - (iii) Lessee fails provide, or fails to procure and notify Lessor that there is made available on a website to which Lessor has access, the certificates of insurances (and where appropriate certificates of reinsurances) prior to the time required by Clause 15.4(b)(ii).
- (d) **Breach:** Lessee fails to comply with any other provision of this Agreement or any other Operative Document and such failure continues for [REDACTED] days after written notice from Lessor to Lessee; provided, that Lessee shall have an additional [REDACTED] days to remedy such failure if such breach is capable of remedy and Lessee is diligently seeking to rectify the breach; or
- (e) **Representation:** any representation or warranty made by Lessee in or pursuant to this Agreement or any other Operative Document or in any document or certificate or statement is or proves to have been incorrect in any material respect when made or deemed made and such incorrectness has a materially adverse effect on the rights or interests of Lessor or the ability of Lessee to perform its obligations hereunder and the circumstances giving rise to the breach of such representation or warranty are not remedied to Lessor’s satisfaction within [REDACTED] days after notice to Lessee from Lessor requiring such remedy; or
- (f) **Cross-Default:** any Companion Agreement Event of Default occurs and is continuing; or

- (g) **Authorizations:** Any consent, authorization, license, certificate or approval of or registration with or declaration or foreign exchange reporting to any Government Entity required to be obtained by Lessee in order to perform its obligations under this Agreement or any other Operative Document, including, without limitation:
- (i) any authorization required by Lessee to authorize, or required in connection with, the execution, delivery, validity, enforceability or admissibility in evidence of this Agreement or the performance by Lessee of its obligations under this Agreement; or
 - (ii) the registration of the Aircraft or the Aircraft's certificate of airworthiness; or
 - (iii) any airline license or air transport license required by Lessee; or
 - (iv) any authorization required to be obtained by Lessee to permit the free transfer of Dollars or any other relevant currency out of any relevant country to Lessor or any other person entitled to receive payments under the Operative Documents;

is withheld, or is revoked, suspended, cancelled, withdrawn, terminated or not renewed, or otherwise ceases to be in full force, or is modified in a manner that in either case could reasonably be expected to materially prejudice the rights of Lessor or Owner or would have a material adverse effect on Lessee's ability to perform its material obligations under any Operative Document, and is not, as applicable, restored, replaced, returned, re-granted or renewed within [REDACTED] Business Days; provided that in the case of any consent, authorization, license, certificate, approval, registration or declaration necessary to enable Lessee to operate as a commercial air carrier, the Aircraft is not operated by Lessee until the circumstances are so remedied; or

(h) **Insolvency:**

Other than in respect of the Bankruptcy Cases, Lessee (i) is, or is deemed for the purposes of any relevant Law to be, unable to pay its debts as they fall due or to be insolvent, or admits in writing its inability to pay its debts generally as they fall due; (ii) suspends making payments of its debts or obligations generally or an authorized representative of Lessee announces in writing on behalf of Lessee an intention to do so; or (iii) a moratorium is declared in respect of Lessee's indebtedness generally or a material class thereof; or

(i) **Liquidation and Similar Proceedings:** Other than in respect of the Bankruptcy Cases,

- (i) Lessee passes a resolution or takes any material step (including filing of a petition or application to the court or affidavit, giving of notice, petition proposal or convening a meeting or giving notice) with a view to a composition, assignment or arrangement with its creditors of, or the rehabilitation, administration (whether out of court or otherwise), custodianship, reorganization, liquidation, protection from creditors or dissolution of, Lessee or any other insolvency, *concurso mercantil* or bankruptcy proceedings involving Lessee; or
- (ii) after Lessee's request therefore, any order (including an order for relief) is made or resolution passed or petition filed for any such composition, assignment, arrangement, rehabilitation, administration (whether out of court or otherwise),

custodianship, reorganization, liquidation, dissolution, insolvency, *concurso mercantil* or bankruptcy proceedings, or Lessee becomes subject to or enters into any of the foregoing; provided that if a creditor of Lessee files an involuntary petition for Lessee's bankruptcy or liquidation, such petition has been in effect and unstayed for at least [REDACTED] days; or

- (iii) any *conciliador, sindico*, liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator, examiner or similar officer (in each case, whether out of court or otherwise) is appointed, or an assignment for the benefit of creditors is made, or (other than in respect of the Bankruptcy Cases) an order for relief under the bankruptcy laws of any jurisdiction is requested by Lessee and granted or entered, in respect of Lessee or any of its assets; or
- (iv) an administrative or other receiver or manager or other insolvency officer (in each case, whether out of court or otherwise) is appointed at the request of Lessee in respect of Lessee or any material part of its assets; or
- (v) an involuntary case or proceeding is commenced in a court of competent jurisdiction against Lessee seeking liquidation, reorganization, control, supervision or other relief with respect to Lessee or its debts under any insolvency law or seeking the appointment of a trustee, examiner, liquidator, administrator, receiver, custodian or similar official of Lessee or any material part of the business or assets of Lessee and such involuntary case or other proceeding shall remain un-dismissed or un-stayed for a period of [REDACTED] days; or
- (j) **Other Jurisdiction:** there occurs in relation to Lessee any event in any jurisdiction which corresponds with any of the events mentioned in Clause 19.1(i), other than in respect of the Bankruptcy Cases; or
- (k) **Repudiation:** Lessee repudiates, or announces its intention to repudiate, this Agreement or any Operative Document to which it is a party; or
- (l) **Prohibited Country:** Lessee fails to observe or perform any of its obligations under Clause 9.3(i); or
- (m) **Security Interest:** the Aircraft, or any interest of Lessor or of any Financing Party in it, or any party's rights under this Agreement or any other Operative Document, become subject to any Security Interest (other than a Permitted Lien) and continues to be subject to such Security Interest for more than [REDACTED] Business Days after the earlier of Lessee becoming actually aware of such Security Interest and written notice from Lessor to Lessee; or
- (n) **Charges:** navigation, overflight, landing, airport, terminal or other operational charges due from the Lessee or a Permitted Sublessee in respect of the Aircraft are not paid within the period of [REDACTED] days after their original due date for payment unless they are being contested in good faith by appropriate proceedings; provided that such [REDACTED] day period shall not apply if there is any likelihood of detention, interference with use or operation or sale, forfeiture or loss of the Aircraft; or

- (o) **Loss of possession:** Lessee parts with possession of the Aircraft except as permitted by this Agreement or any Operative Document (other than as a consequence of circumstance which constitute, or which would with the passage of time constitute, a Total Loss); or
- (p) **Rights and Remedies:** Lessee or any other Person lawfully claiming by or through Lessee brings proceedings or otherwise challenges the existence, validity, enforceability or priority of the rights of Lessor as lessor or Owner as owner of the Aircraft or the rights of any of the Financing Parties under any Security Interest or assignment in respect of the Aircraft or of this Agreement; or
- (q) **Registration of Ownership:** failure by Lessee to file all documents in Lessee's power and control necessary to maintain or procure the maintenance of the registration of the ownership interest of Lessor with the Aviation Authority or in any other relevant jurisdiction at the time stipulated and pursuant to the terms set out in this Agreement and any other Operative Document and such failure continues for [REDACTED] Business Days after the earlier of Lessee becoming actually aware of such failure and written notice from Lessor to Lessee; or
- (r) **Bankruptcy Cases:** any one of the following occurs, in each case without prior written consent of the Lessor:
 - (i) Lessee files a Chapter 11 plan that contemplates the liquidation of all or substantially all of Lessee's assets; or
 - (ii) the Bankruptcy Cases are converted to cases under Chapter 7 of the Bankruptcy Code, or Lessee files or acquiesces in any motion or other pleading seeking such conversion; or
 - (iii) a trustee or examiner is appointed in the Bankruptcy Cases, or Lessee files or acquiesces in any motion or other pleading seeking such appointment; or
 - (iv) Lessee files any motion or other pleading seeking to reverse, stay, modify or vacate the approval of this Lease, any Companion Agreement or any amendment in respect of any Companion Agreement and the transactions contemplated hereby or thereby or any other relief that is inconsistent with the terms of this Lease, any Companion Agreement or any amendment in respect of any Companion Agreement.

Notwithstanding the foregoing provisions of this Clause 19.1 (*Events*), no Event of Default for purposes of this Clause 19.1 of this Agreement and no Companion Agreement Event of Default referenced in Clause 19.1(f) of this Agreement shall arise solely as a result of the commencement or continuance of the Bankruptcy Cases or the financial conditions giving rise to the Bankruptcy Cases.

19.2 Lessor's Rights

- (a) **Lessor Rights and Remedies:** If an Event of Default occurs and for so long as it continues, Lessor may at its option (and without prejudice to any of its other rights or remedies under this Agreement or available under applicable Law, including under the Cape Town Convention as adopted and implemented in the State of Registration,

including, all rights and remedies under Chapter III of the Cape Town Convention and Chapter II of the Protocol) at any time thereafter while such Event of Default is continuing (and subject to compliance with any mandatory requirement of applicable Law then in effect):

- (i) by notice to Lessee and with immediate effect, terminate or cancel the leasing of the Aircraft or, if such leasing has not yet commenced, terminate or cancel Lessor's obligations under this Agreement (but, in each case, without prejudice to any continuing obligations of Lessee under this Agreement (including to provide Insurance, maintain and repair the Aircraft and/or redeliver the Aircraft at the location and in the condition required hereunder)), whereupon all rights of Lessee under this Agreement shall cease; and/or
- (ii) proceed by appropriate court action or actions to enforce performance of this Agreement and/or to recover damages for the breach of this Agreement (for which purpose the parties hereto agree that any breach of this Agreement by Lessee which gives rise to an Event of Default shall constitute a breach of a condition of this Agreement) and shall give rise to all such remedies as are available under applicable Law; and/or
- (iii) either:
 - (x) to the extent permitted by Law take possession of the Aircraft, for which purpose and to the extent permitted by Law, Lessor may enter any premises belonging to or in the occupation of or under the control of Lessee where the Aircraft may be located, or cause the Aircraft to be redelivered to Lessor at the Redelivery Location (or such other location as Lessor may require), and Lessor is hereby irrevocably by way of security for Lessee's obligations under this Agreement appointed attorney for Lessee in causing the redelivery or in directing the pilots of Lessee or other pilots to fly the Aircraft to that airport and will have all the powers and authorizations necessary for taking that action; or
 - (y) require Lessee to redeliver the Aircraft to Lessor at the Redelivery Location (or such other location as Lessor may require);

provided that, irrespective of which remedy or remedies Lessor pursues, Lessee shall not be relieved of its obligations under Clause 18 (*Redelivery*).

To the extent Lessor's exercise of remedies is governed by the Cape Town Convention as in force in any jurisdiction, Lessor shall exercise such remedies in a "commercially reasonable manner" as such term is described in Article IX(3) of the Protocol.
[REDACTED]

[REDACTED]

- (b) **Sale or Re-Lease of Aircraft:** If an Event of Default occurs and the leasing of the Aircraft hereunder is terminated, Lessor may sell or re-lease or otherwise deal with the Aircraft at such time and in such manner as Lessor considers appropriate in its absolute discretion, free and clear of any interest of Lessee, as if this Agreement and the other Operative Documents had never been entered into.

- (c) **Deregistration/Removal of Lease from Registry:** To the extent available under applicable law, upon the termination of the leasing of the Aircraft hereunder following the occurrence and during the continuance of an Event of Default, Lessor shall have the right to deregister the Aircraft. In consideration of this, Lessee will not oppose any attempts of Lessor to deregister the Aircraft and, at Lessor's request, will promptly take any and all steps requested by Lessor to effect deregistration of the Aircraft and/or its export from Mexico or any other country where the Aircraft is for the time being situated. Lessee shall provide Lessor with such instruments, authorizations and other documented approvals that may be necessary or required by Lessor or by the Aviation Authority (i) to remove the Aircraft from the operating certificate of Lessee, (ii) to complete deregistration of the Aircraft, (iii) to demonstrate termination of the Lease or to otherwise execute any termination agreement in respect of the Lease as may be required for deregistration purposes, and (iv) to export the Aircraft from Mexico or any other country where the Aircraft is for the time being situated (including, if required/applicable, a valid and subsisting export permit and certificate of airworthiness for the Aircraft) or anything otherwise required in order to the deregister the Aircraft from the registry maintained by the Aviation Authority. In order to effect to the deregistration of the Aircraft before the Aviation Authority, Lessee and Lessor shall, on or before the date of transfer of possession of the Aircraft from Lessee to Lessor, including, without limitation, any transfer of possession following the continuance of an Event of Default under this Lease, execute a lease termination certificate in respect of the Lease in a form acceptable to the Aviation Authority, which shall be duly translated into Spanish and shall be ratified by a notary public or notarized and apostilled, as applicable.
- (d) **Payments:** If an Event of Default occurs, Lessor may require that Lessee pay to Lessor, and Lessee shall be liable for and immediately pay to Lessor, and Lessor may proceed by appropriate court action or actions to recover, any or all of the following amounts:
- [REDACTED]
- (e) **Interest:** Require Lessee to pay, and Lessee shall pay to Lessor, interest on all unpaid amounts at the Default Rate, from the due date until the date of payment in full.
- (f) **Security Deposit:** Apply (and/or draw under the Letter of Credit) an amount equal to all or part of the Security Deposit to any amounts owing or to be owing to Lessor under this Agreement and the other Operative Documents.
- (g) **No Exclusive Remedy:** No remedy referred to in this Clause 19.2 is intended to be exclusive, but, to the extent permissible under this Agreement or the other Operative Documents or under applicable Law and provided that there shall be no duplication, each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity or under the Cape Town Convention and in Lessor's sole and absolute discretion; and the exercise by Lessor of any one or more of such remedies shall not preclude the simultaneous or later exercise by Lessor of any or all of such other remedies. No waiver by Lessor of any Event of Default shall in any way be, or be construed to be, a waiver of any future subsequent Event of Default.

19.3 Lessor's Right To Remedy

Following the occurrence of an Event of Default, Lessor may, without being in any way obliged to do so or responsible for so doing and without prejudice to the ability of Lessor to treat such non-compliance as an Event of Default, effect compliance on behalf of Lessee, whereupon Lessee shall become liable to pay immediately any sums expended by Lessor together with all costs and expenses (including legal costs) in connection with the non-compliance.

19.4 Mitigation

Lessor shall use commercially reasonable efforts to mitigate any of its losses, costs or expenses for which Lessee is liable under this Clause 19 (*Events of Default*), provided that Lessor shall not be obliged to take any step that, in its reasonable opinion, is likely to prejudice Lessor nor is Lessor obliged to achieve any particular result from taking any steps under this clause.

20. TAXATION

20.1 Gross-up

- (a) All payments by Lessee under or in connection with this Agreement and the other Operative Documents shall be made without set-off or counterclaim, free and clear of and without deduction for or on account of all Taxes unless Lessee is required by Law to make any such deduction or withholding.
- (b) All Taxes (other than Lessor Taxes) in respect of payments by the Lessee under this Agreement and the other Operative Documents shall be for the account of Lessee and shall be paid by Lessee within the period for payment permitted by Law.
- (c) If any Taxes are required to be deducted or withheld from any amount payable hereunder, Lessee shall:
 - (i) other than in the case of Lessor Taxes, pay such additional amounts, in the same currency as such payment as may be necessary in order that the amount of such payment received on the date of such payment, after deduction or withholding for all such Taxes, will be equal to the amount that such Tax Indemnatee would have received if such Taxes had not been deducted or withheld;
 - (ii) pay to the relevant authority within the period for payment permitted by applicable Laws the full amount of the deduction or withholding; and
 - (iii) furnish to each Tax Indemnatee evidence of payment to the relevant authority of all amounts deducted or withheld as aforesaid, which evidence may be provided by certification of such payment by a responsible officer of Lessee.
- (d) If any payment is made by Lessee under Clause 20.1(c), and a Tax Indemnatee in good faith determines that it has actually received a credit against, or relief or remission for, or repayment of, any Tax paid or payable by such Tax Indemnatee in respect of or calculated with reference to the deduction or withholding giving rise to such payment, subject to Clause 7.8, such Tax Indemnatee shall, to the extent that it can do so without prejudice to the retention of the amount of such credit, relief, remission or repayment and without leaving such Tax Indemnatee in any worse position than that in which it

would have been had such deduction or withholding not been required to be made, pay to Lessee such amount as such Tax Indemnatee shall in good faith have determined to be attributable to the relevant deduction or withholding.

Nothing in this Clause 20.1(d) shall:

- (i) interfere with the right of Lessor to arrange its tax affairs in whatever manner it thinks fit and, in particular, but without limitation, Lessor shall not be under any obligation to claim credit, relief, remission or repayment from or against its corporate profits or similar Tax liability in respect of the amount of any such deduction or withholding in priority to any other claims, reliefs, credits or deductions available to Lessor; or
- (ii) oblige Lessor to disclose any information relating to its Tax affairs or any computations in respect thereof.

20.2 **Covenant to Pay Taxes**

Lessee shall promptly pay when due:

- (a) all Taxes (other than Lessor Taxes) imposed by any Government Entity with respect to the Aircraft, including without limitation the ownership, presence, delivery, leasing, possession, use, operation, maintenance, storage, registration, redelivery, import, export, sale or other disposition of the Aircraft; and
- (b) all Taxes (other than Lessor Taxes) in respect of any premises where the Aircraft, any Engine or any Part thereof is located from time to time,

except to the extent that such payment is being contested in good faith by appropriate proceedings, in respect of which adequate reserves have been provided by Lessee and non-payment of which does not give rise to any material risk of the Aircraft or any interest therein being sold, forfeited or otherwise lost or any risk of criminal liability on the part of Lessor or any Financing Party.

20.3 **Tax Indemnity**

- (a) Lessee agrees to pay, within (10) Business Days of demand by Lessor, and to be liable for, and to indemnify and hold harmless each Tax Indemnatee against all Taxes (other than Lessor Taxes) levied or imposed against or upon any Tax Indemnatee or Lessee or the Aircraft and relating to or attributable to Lessee, this Agreement, or the Aircraft or directly or indirectly in connection with the possession, delivery, purchase, sale, transfer, location, existence, importation, transportation, pooling, interchange, leasing, subleasing, wet leasing, chartering, storage, registration, insurance, replacement, maintenance, modification, refurbishment, condition, service, repair, overhaul, control, management, ownership, presence, use, operation, exportation or redelivery of the Aircraft, any Engine or any Part or any part thereof or any rent, receipts, insurance proceeds, income or other amounts arising therefrom, or the making of any Equipment Change.
- (b) The provisions of Clause 20.3(a) shall not apply to, and Lessee shall have no liability to any Tax Indemnatee in respect of, any Tax to the extent that such Tax (a "**Lessor Tax**"):

- (i) arises solely as a result of the Gross Negligence or willful misconduct any Tax Indemnitee; or
- (ii) is imposed as a result of a Lessor Lien; or
- (iii) is imposed with respect to any period commencing or event occurring before the Aircraft has been delivered to Lessee or after the Aircraft has been redelivered to Lessor and is no longer subject to this Agreement unless such Tax is attributable to any act, omission, event or circumstance which occurred during the Term and would not have constituted a "Lessor Tax" had it arisen during the Term; or
- (iv) arises solely from the breach by any Tax Indemnitee of this Agreement but excluding any such breach which is attributable to or arises out of any Event of Default or any act or omission of a person other than Lessor; or
- (v) is imposed as a result of any connection between that Tax Indemnitee and the jurisdiction imposing the Tax that is unrelated to the transactions contemplated by this Agreement or the use or operation of the Aircraft by Lessee or any Permitted Sublessee, or the location or registration of the Aircraft by Lessee or any Permitted Sublessee and for which the jurisdictional connection necessary for the imposition of the Tax would have existed even if the transactions contemplated by this Agreement had not been entered into; or
- (vi) is imposed or levied on or measured by or with respect to the net income, profits or capital gains of any Tax Indemnitee by any Government Entity in Ireland or any jurisdiction where any Tax Indemnitee is resident for Tax purposes; but excluding any Tax imposed by any government or taxing authority of any jurisdiction if and to the extent that such Tax results from (A) the use, operation, presence or registration of the Aircraft, the Airframe, any Engine or any Part in the jurisdiction imposing the Tax, (B) a breach by Lessee of any of its representations, warranties or covenants under this Agreement or (C) any Tax which results from the situs or organization, place of business or activity of Lessee, any Permitted Sublessee or other person having use, possession or custody of the Aircraft; or
- (vii) is imposed in connection with the voluntary sale, transfer, assignment (whether legal or equitable) or other disposition (including an involuntary disposition pursuant to a bankruptcy or similar proceeding involving such Tax Indemnitee) by any Tax Indemnitee or Lessor Party of any or all of its rights, title and interest in or with respect to the Aircraft, the Airframe, any Engine or any Part this Agreement or any other Operative Document, except in connection with or resulting from an Event of Default or Total Loss; or
- (viii) is imposed on such Tax Indemnitee due to the failure of any Tax Indemnitee to file any relevant tax return or tax computation that such Tax Indemnitee was obliged to file by the applicable law in its jurisdiction of incorporation unless relating to a Tax otherwise indemnified pursuant to this Clause 20.3 and imposed as a result of Lessee's breach of Clause 20.3(c); or
- (ix) is imposed on the Owner or the Aircraft or imposed on payments to the Owner, except to the extent such Tax is equal to or less than the Taxes that would have

been imposed and for which indemnification would have been available hereunder if Lessor had been the Owner;

- (x) results from a change by any Tax Indemnatee or Lessor Party of its principal place of business, participating office, jurisdiction of organization or tax residence; or
 - (xi) is imposed on or payable by any Tax Indemnatee that would not have been imposed or payable but for the existence of any loan or financing provided by the Financing Parties and any security documents entered into in connection therewith except Taxes imposed as a result of (A) the gross negligence or willful misconduct of Lessee or any other user of the Aircraft, or (B) a breach by Lessee of any of its representations, warranties or covenants under this Agreement.
- (c) Lessee will provide each Tax Indemnatee such information as may reasonably be requested by such Tax Indemnatee to enable it to fulfill its Tax filing or other information reporting requirements with respect to the transactions contemplated by this Agreement. If any report, return or statement is required to be made with respect to any Tax which is subject to indemnification under this Clause 20.3, Lessee will promptly notify Lessor of the requirement, and:
- (i) if permitted by applicable Law, make and file in a timely manner such report, return or statement (except for any report, return or statement that Lessor has notified Lessee that Lessor or any other Tax Indemnatee intends to prepare and file), prepare such return in such manner as will indicate Owner as owner of the Aircraft if required or appropriate, and provide Lessor upon request a copy of each such report, return or statement filed by Lessee, or
 - (ii) if Lessee is not permitted by applicable Law to file any such report, return or statement, Lessee will prepare and deliver to Lessor a proposed form of such report, return or statement within a reasonable time prior to the time such report, return or statement is to be filed.

20.4 Notice and Contest Rights.

- (a) If a written notice of any claim is made against any Tax Indemnatee for any Taxes for which Lessee is required to pay or against which Lessee is required to indemnify such Tax Indemnatee pursuant to Clause 20.3(a), such Tax Indemnatee shall promptly notify Lessee thereof in writing; provided that a failure to so notify will not diminish, or relieve Lessee of, any obligations thereunder, except to the extent Lessee's or such Tax Indemnatee's successful defense of such claim is prejudicial thereby or Lessee's liability for costs or Taxes is increased. If reasonably requested by Lessee in writing within thirty (30) days of Lessee's receipt of notice of such claim, and to the extent that there are means available by which to do so, such Tax Indemnatee shall, provided that no Event of Default shall have occurred and be continuing, in good faith diligently contest by pursuing all administrative appeals in the name of such Tax Indemnatee or, in such Tax Indemnatee's discretion if requested by Lessee, contest in the name of Lessee (or permit Lessee, in such Tax Indemnatee's discretion if requested by Lessee, to contest in the name of Lessee) the validity, applicability or amount of such Taxes by (i) resisting payment thereof, if practicable, (ii) paying the same only under protest, if protest is necessary and proper or (iii) if payment shall be made, seeking a refund thereof in

appropriate administrative proceedings; provided that (A) prior to taking such action Lessee shall have agreed to indemnify, and shall indemnify on demand, such Tax Indemnatee in a manner satisfactory to such Tax Indemnatee for all costs and expenses which such Tax Indemnatee may incur in connection with contesting such claim (including all reasonable legal and accountants' fees and disbursements and the amount of any interest, penalties or additions to tax which may be payable as a result of contesting such claim), (B) such Tax Indemnatee shall have determined in good faith that such contest shall not result in any material risk of sale, forfeiture or loss of, or creation of any Security Interest on, the Aircraft, (C) if such contest is to be initiated by the payment of, and the claiming of a refund for, such Taxes, Lessee shall have advanced to such Tax Indemnatee sufficient funds (on an interest-free basis and, if such Tax Indemnatee shall have determined in good faith that such advance results in taxable income to such Tax Indemnatee, on an after-tax basis) to make such payment, (D) such Tax Indemnatee shall have received an opinion of independent tax counsel selected by such Lessee and reasonably acceptable to Tax Indemnatee that a reasonable basis exists for such contest, (E) Lessee shall have delivered to such Tax Indemnatee a written acknowledgement of Lessee's obligation to indemnify such Tax Indemnatee for the Tax being contested if the contest is not successful, (F) in the case of a contest conducted by a Tax Indemnatee and not the Lessee, the amount of the potential indemnity for which Lessee may be liable to pay such Tax Indemnatee under Clause 20.3(a) exceeds US\$25,000 or the equivalent thereof and (G) the contest is not for a Tax, the imposition of which has been previously contested by Lessee or such Tax Indemnatee, and such contest (including all allowable appeals) was decided adversely to Lessee or such Tax Indemnatee. Nothing contained in this Clause 20.4(a) shall require any Tax Indemnatee to contest, or permit Lessee to contest in the name of such Tax Indemnatee, a claim which such Tax Indemnatee would otherwise be required to contest pursuant to Clause 20.3(a) if such Tax Indemnatee shall waive payment by Lessee of any amount that might otherwise be payable by Lessee under Clause 20.3(a) in connection with such claim.

- (b) Each Tax Indemnatee agrees that it shall, as soon as reasonably practicable after it becomes aware of any circumstances which shall, or could reasonably be expected to, become the subject of a claim for indemnification by such Tax Indemnatee pursuant to Clause 20.3(a) or require the Lessee to indemnify or pay an amount under 20.5 (*Value Added Tax*) or make an increased payment pursuant to Clause 20.1, notify the Lessee in writing accordingly, provided that a failure to so notify will not diminish, or relieve Lessee of, any obligations hereunder or diminish the rights of the Tax Indemnatee. Similarly, Lessee shall, as soon as reasonably practicable after it becomes aware of any circumstances which shall, or would reasonably be expected to, result in a claim for indemnification under Clause 20.3(a) or require Lessee to indemnify or pay an amount under or 20.5 (*Value Added Tax*) or make an increased payment pursuant to Clause 20.1 (*Gross-up*), notify Lessor in writing accordingly. Provided no Event of Default is then continuing, Lessor and Lessee shall then consult with one another in good faith, for a period of up to thirty (30) days in order to determine what action (if any) may reasonably be taken to mitigate or avoid the incidence of the relevant Taxes (and Lessee shall pay Lessor's reasonable out of pocket expenses (including legal fees) in relation to any such consultations). Lessor shall then take such steps as it agreed during such consultation to take for that purpose, provided always that (i) it is fully indemnified by Lessee to Lessor's satisfaction (acting reasonably) for so doing, (ii) it shall not be required to take, or omit to take, any action, if the effect of such action or omission would reasonably be expected to adversely affect Lessor or would be contrary to applicable law, (iii) Lessor shall not be responsible for or obliged to achieve any

particular result from the taking of such steps and (iv) nothing in this Clause 20.4(b) shall require Lessor to disclose or interfere with its tax affairs.

20.5 Value Added Tax

- (a) For the purposes of this Clause 20.5:
 - (i) “**VAT**” means value added tax and any goods and services, sales or turnover tax, imposition or levy of a like nature; and
 - (ii) “**supply**” includes anything on or in respect of which VAT is chargeable.
- (b) Lessee shall pay to each Tax Indemnitee (without duplication) or the relevant taxing authority, as the case may be, the amount of any VAT chargeable in respect of any supply for VAT purposes under this Agreement.
- (c) Each amount stated as payable by Lessee under this Agreement is exclusive of VAT (if any), and if VAT is payable in respect of any amount as aforesaid, Lessee shall pay all such VAT and shall indemnify each Tax Indemnitee against any claims for the same (and where appropriate Lessee shall increase the payments which would otherwise be required to be made under this Agreement so that such Tax Indemnitee is left in the same position as it would have been in had no VAT been payable); and Lessee shall provide evidence to such Tax Indemnitee, if available, in respect of payment of any such VAT.

20.6 Information regarding Taxes

- (a) If Lessee is required by any applicable Laws, or by any third party, to deliver any report or return in connection with any Taxes, Lessee shall complete the same and shall state therein (if appropriate) that Lessee is exclusively responsible for the use, possession, maintenance and operation of the Aircraft and for any Taxes arising therefrom, and Lessee shall, on request supply a copy of the report or return to Lessor.
- (b) Lessee shall within thirty days after Lessor’s written request, furnish to Lessor evidence reasonably satisfactory to Lessor of payment of all Taxes arising in connection with or as a result of the transactions contemplated by this Agreement requiring payment within any Rent Period, including, without limitation, copies of receipts from the relevant tax authorities or other Governmental Entities for payments of withholding taxes, any Sales Taxes, any VAT and payment of customs duties.
- (c) As soon as practicable, but in any case within the first 60 days of each calendar year during the Term, Lessor or if different, the Rent beneficiary, shall deliver to Lessee a certification from the appropriate governmental tax authority confirming Lessor’s (or, if applicable, such Rent beneficiary’s) residency for tax purposes in a jurisdiction with which Mexico has an income tax treaty for the mitigation of double taxation. In addition to the foregoing, each Tax Indemnitee agrees to furnish from time to time to Lessee or to such other Person as Lessee may designate, at Lessee’s sole cost and expense, such other duly executed and properly completed forms as are required and reasonably requested by Lessee and which such Tax Indemnitee may be permitted and legally able to deliver in order to claim any reduction of, or exemption from any Tax which Lessee may be required to indemnify against hereunder, unless such Tax

Indemnitee determines that furnishing such forms would or could reasonably be expected to have an adverse effect on the business or operations of such Tax Indemnitee.

20.7 Taxation of Indemnity Payments

- (a) If and to the extent that any sums payable to any Indemnitee or any Tax Indemnitee by Lessee under this Agreement by way of indemnity or otherwise under this Agreement are insufficient, by reason of any Taxes payable in respect of those sums, for such Indemnitee or such Tax Indemnitee to discharge the corresponding liability to the relevant third party (including any taxation authority), or to reimburse such Indemnitee or such Tax Indemnitee for the cost incurred by it to a third party (including any taxation authority), Lessee shall pay to such Indemnitee or such Tax Indemnitee such sum as will after the tax liability has been fully satisfied leave that Indemnitee or such Tax Indemnitee with the same after-tax amount as it would have been entitled to receive in the absence of that liability.
- (b) If and to the extent that any sums constituting (directly or indirectly) an indemnity or other payment under this Agreement to an Indemnitee or a Tax Indemnitee but paid by Lessee to any Person other than such Indemnitee or such Tax Indemnitee are treated as taxable in the hands of such Indemnitee or such Tax Indemnitee, Lessee shall pay to such Indemnitee or such Tax Indemnitee such sum as will, after the tax liability has been fully satisfied at the applicable marginal rate in such jurisdiction, indemnify such Indemnitee or such Tax Indemnitee to the same extent as it would have been indemnified in the absence of such liability.

20.8 Notification

Each Tax Indemnitee shall notify Lessee in writing of any Taxes of which such Tax Indemnitee has received written notice from a Tax authority as being payable and for which Lessee is obligated to indemnify or pay under this Clause 20; **provided, however**, the delay or failure of such Tax Indemnitee to give notice to Lessee in accordance with this Clause 20.8 will not discharge or release Lessee from any of its indemnity obligations under Clause 20 except, and only to the extent, that such delay or failure results in additional amounts payable by Lessee which amounts would not have been imposed in the absence of such delay.

20.9 Duration

The obligations and indemnities contained in this Clause 20 shall continue in full force after the expiration, cancellation or termination of this Agreement notwithstanding any breach or repudiation of this Agreement by Lessor or Lessee or the termination of the leasing of the Aircraft under this Agreement.

21. ASSIGNMENT AND TRANSFER

21.1 By Lessee

Except as expressly permitted by the terms hereof (including without limitation, Clause 10.3 hereof) Lessee will not assign, delegate or otherwise transfer any of its rights or obligations under this agreement or create or permit to exist any Security Interest over any of its rights under this Agreement, and any attempt to do so will be null and void and shall constitute a breach hereof.

21.2 Lessor Transfer

- (a) Without any consent of Lessee other than as provided in Clause 21.2(d), Owner or Lessor may at its own expense assign or grant a Security Interest over the Aircraft and the Aircraft Documents or any interest therein and/or Owner or Lessor may assign or grant a Security Interest over all or any part of its rights under this Agreement and any other Operative Document or any interest therein, in either case, by way of security to any other Person (an “**Assignee**”); provided that:
 - (i) (A) such assignment or Security Interest shall not increase any of Lessee’s risk, obligations, responsibilities, liabilities, and costs related to the transactions contemplated by this Agreement, and shall not reduce any of Lessee’s rights and benefits related thereto, as determined at the time of such assignment or Security Interest, including for this purpose any legislative or regulatory changes that have obtained all necessary approvals in accordance with applicable law but will be implemented after such assignment or Security Interest is completed, provided that a fixed timetable for such law going into effect has been agreed, and (B) Lessee will not incur any obligation or liability of any kind as a result of such transaction, provided that any change in, or increase in the number of beneficiaries under (and in accordance with) any indemnification, insurance or, if applicable re-insurance provision of the making of any payment to a different bank shall not be deemed an increased obligation.
 - (ii) prior to any such assignment or Security Interest becoming effective, the Assignee shall execute and deliver to Lessee an undertaking containing terms substantially similar to Clause 8.1 (*Quiet Enjoyment*) hereof to the effect that neither it nor any Person claiming by, through or under it will disturb the quiet use, possession and enjoyment of the Aircraft by Lessee or any Permitted Sublessee during the Term so long as no Event of Default is continuing;
 - (iii) if the Security Deposit is assigned or charged or subject to a Security Interest in favor of the Assignee or if any Assignee is to be named as the beneficiary under any Letter of Credit, the Assignee shall acknowledge that the Security Deposit under its control shall only be applied in accordance with the provisions of this Agreement and that it will not draw under that Letter of Credit except in accordance with the terms of this Agreement and that proceeds of any such drawings shall only be applied in accordance with the provisions of this Agreement;
 - (iv) as at the date of such assignment and under the laws then in effect in the State of Incorporation, it shall not be unlawful for Lessee to lease an aircraft financed by a Person organized under the laws of the country where the Assignee is organized, and the Assignee shall provide to Lessee representation and warranties in respect of itself on the terms set forth in Clause 22.17;
 - (v) the Assignee and each of the other Financing Parties are not an airline, other commercial aircraft operator, freight forwarder, a Person engaged in the business of parcel transport by air (such a Person, a “**Competitor**”) or an Affiliate of a Competitor (other than any aircraft leasing company or a banking or lending institution that is separately managed from such Competitor and provided each such Affiliate agrees in writing with Lessee that it shall not disclose to the

Competitor of which it is an Affiliate this Agreement or any information relating thereto or the transactions contemplated hereby); and

- (vi) if the Assignee is not reasonably experienced in commercial aircraft leasing or lending, it shall agree with Lessee that upon the enforcement of its rights under the relevant security documents it shall contract with such a Person experienced in commercial aircraft leasing or lending to manage this Agreement; provided that if the Assignee represents that it leases, owns, manages or is a lender in respect of a portfolio of [REDACTED] or more commercial aircraft on the date of such assignment, it shall be deemed to be reasonably experienced in commercial aircraft leasing or lending.
- (b) Without any consent of Lessee other than as provided in Clause 21.2(d) and upon at least [REDACTED] days' prior notice to Lessee (delivered on or after the Delivery Date) or [REDACTED] days' prior notice to Lessee (delivered prior to the Delivery Date, but only if such transfer occurs on or prior to the Delivery Date and the proposed Transferee is an Affiliate of the Lessor Parent), Owner, at its or Lessor's own expense, may transfer the title to the Aircraft (or the right to acquire title to the Aircraft, if such transfer occurs prior to the Delivery Date) and its interest therein to any Person (an "**Owner Transferee**"), and Lessor, at its own expense, may transfer and/or assign all or any part of its rights and obligations under this Agreement and any other Operative Document to any Person (a "**Lessor Transferee**" and together with the Owner Transferee, the "**Transferees**" or individually, a "**Transferee**"); provided that:
 - (i) if a Transferee is not assuming the obligations of Lessor under this Agreement or becoming the "Lessor" under this Agreement as novated, it shall execute and deliver to Lessee an Owner Quiet Enjoyment Letter;
 - (ii) each Transferee confirms and agrees that (A) such transfer or assignment shall not increase any of Lessee's risk, obligations, responsibilities, liabilities and costs (including without limitation with respect to taxes) related to the transactions contemplated by this Agreement and shall not reduce any of Lessee's rights and benefits related thereto, as determined at the time of such transfer or assignment, including for this purpose any legislative or regulatory changes that have obtained all necessary approvals in accordance with applicable law but will be implemented after such transfer or assignment is completed, provided that a fixed timetable for such law going into effect has been agreed, and (B) Lessee will not incur any obligation or liability of any kind as a result thereof, provided that any change in, or increase in the number of beneficiaries under (and in accordance with) any indemnification, insurance or, if applicable re-insurance provision of the making of any payment to a different bank shall not be deemed an increased obligation;
 - (iii) at the time of such transfer or assignment, each Transferee shall provide to Lessee representations and warranties on the terms set forth in Clause 22.17 hereof and Clause 2 of Schedule 2;
 - (iv) at the time of such transfer or assignment, each Transferee (A) has a tangible net worth, or is guaranteed on terms reasonably acceptable to Lessee by a Person which has a tangible net worth, exclusive of the aggregate equity it is committing to invest in the Aircraft, of at least (x) US\$[REDACTED] if such transfer or

assignment is solely for the Aircraft, (y) US\$[REDACTED] if such transfer or assignment is for the Aircraft and a Companion Aircraft immediately before such transfer or (z) US\$[REDACTED] such transfer or assignment is for the Aircraft and two or more Companion Aircraft immediately before such transfer, in either case, such net worth to be evidenced by financial statements of such Transferee or guarantor, as applicable, together with a certificate of a responsible officer of such Transferee or such guarantor, as the case may be, certifying as to such net worth; provided that in the event Lessor is the Owner and transfers title to the Aircraft to an Owner Transferee by way of a sale and lease back and this Agreement becomes a sublease and Lessor remains the sublessor and retains all obligations of Lessor, such Owner Transferee shall not be required to meet the tangible net worth requirement set forth in this subclause (A); (B) is an experienced lessor in commercial aircraft leasing or will have appointed an experienced servicer in commercial aircraft leasing (and for such purposes, an experienced lessor or experienced servicer will be an entity with [REDACTED] commercial aircraft or more in its portfolio or under its management or any Transferee that is an Affiliate of Lessor Parent); (C) is not a Competitor (as defined in Clause 21.2(a)(v) above) or an Affiliate of a Competitor (other than any aircraft leasing company or a banking or lending institution that is separately managed from such Competitor and provided each such Affiliate agrees in writing with Lessee that it shall not disclose to the Competitor of which it is an Affiliate this Agreement or any information relating thereto or the transactions contemplated hereby); and (D) is a tax resident of a jurisdiction with which Mexico has entered into a treaty to avoid the double imposition of Taxes; and

- (v) at the date of such transfer and under the laws then in effect in the State of Incorporation, it shall not be unlawful for Lessee to lease an Aircraft owned or leased by a Person organized under the laws of the country where the Transferee is organized.
- (c) Lessee shall upon request from Lessor and at the expense of Lessor cooperate in effecting any assignment or transfer referred to in subclause (a) or (b) above and will execute any agreements or other instruments in form and substance reasonably satisfactory to Lessee (including, without limitation, any supplement or amendment to or novation of this Agreement) and if the transfer involves the assumption by the Transferee of any of Owner's or Lessor's obligations under this Agreement or the other Operative Documents, release Owner or Lessor, as applicable, from the obligations so assumed and will execute such certificates and shall provide such corporate documents as shall be reasonably requested by Lessor for the purposes of Lessor obtaining a legal opinion in respect of Lessee's due execution and due authorization of the transfer documents. Lessor agrees to reimburse Lessee for its reasonable costs and expenses (including, without limitation reasonable attorney fees) and any Taxes thereon, and other reasonable out-of-pocket costs and expenses and any Taxes thereon, in connection with any assignment or transfer referred to in subclause (a) or (b), provided that Lessee shall provide Lessor with reasonable evidence of such costs and expenses.
- (d) For the purpose of Article 33(1) of the Cape Town Convention and Article XV of the Protocol, and without prejudice to the preceding provisions of this Clause 21.2 (*Lessor Transfer*) to the extent applicable, Lessee hereby consents in advance to the transfer of the associated rights and related international interests in respect of any assignment or sale by Owner or Lessor or the granting of any Security Interest by Owner or Lessor in

accordance with this Agreement (and for the avoidance of doubt, no additional consent by Lessee will be required in connection with any such assignment of associated rights, the related international interests and the related right to discharge such international interest pursuant to the Cape Town Convention).

- (e) Except as permitted in this Clause 21.2, neither Owner nor Lessor will assign or otherwise transfer any of its rights in and to the Aircraft or any of its rights and obligations under any Operative Document or permit to exist any Security Interest over any of the foregoing, and any attempt to do so will be null and void.

22. MISCELLANEOUS PROVISIONS

22.1 Rights Cumulative, Waivers

The rights of Lessor under this Agreement may be exercised as often as Lessor considers appropriate (except as otherwise expressly stated herein), are cumulative and are in addition to its rights under any Law. The rights of Lessor against Lessee or in relation to the Aircraft (whether arising under this Agreement or any Law) cannot be waived or varied other than by an express waiver or variation in writing. Any failure to exercise or any delay in exercising any of such rights shall not operate as a waiver or variation of that or any other such right; any defective or partial exercise of any of such rights shall not preclude any other or further exercise of that or any other such right; and no act or course of conduct or negotiation on Lessor's part or on its behalf shall in any way preclude it from exercising any such right or constitute a suspension or any variation of any such right.

22.2 Delegation

Lessor may delegate to any Person or Persons all or any of its rights, powers or discretions vested in it by this Agreement, and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as Lessor deems fit; provided, however, that notwithstanding any such delegation, Lessor shall at all times remain primarily liable for the obligations of "Lessor" hereunder.

22.3 Expenses

Each of Lessor and Lessee shall pay its own costs and expenses (including legal fees) in connection with the negotiation of this Agreement and the other Operative Documents. Lessee shall pay to Lessor on demand all expenses (including legal (which includes the fees of counsel for issuing any opinion required to be provided hereunder), professional, and out-of-pocket expenses incurred or payable by Lessor in connection with the enforcement or preservation of any of Lessor's rights or remedies under this Agreement and the other Operative Documents in connection with and following any Event of Default.

22.4 Set-off

- (a) Lessor may set off any matured obligation owed by Lessee under this Agreement or any Operative Document against any obligation (whether or not matured) owed by Lessor to Lessee hereunder, regardless of the place of payment or currency. If the obligations are in different currencies, Lessor may convert either obligation at the market rate of exchange available in London or (at Lessor's option) New York for the purpose of the set-off.

- (b) If an obligation is unascertained or unliquidated, Lessor may in good faith estimate that obligation and set off in respect of the estimated amount, in which case when the obligation is ascertained or liquidated Lessor or Lessee shall make a payment to the other (as appropriate) in respect of any amount by which the ascertained or liquidated amount differs from the estimated amount.
- (c) Notwithstanding any other provision of this Agreement, Lessor shall not be obliged to pay any amount to Lessee under this Agreement so long as any sums which are then due from Lessee under this Agreement remain unpaid or if any Event of Default (other than an Event of Default arising solely under Clause 19.1(f)) has occurred and is continuing, and any such amount which would otherwise be due shall fall due only if and when Lessee has paid all such sums and cured all Events of Default, except to the extent that Lessor otherwise agrees in writing or sets off such amounts against such payment pursuant to Clause 22.4(a).

22.5 Time of Essence

The time stipulated in this Agreement for all payments by Lessee to Lessor and for the prompt performance of Lessee's other obligations under this Agreement are of the essence of this Agreement.

22.6 Entire Agreement

This Agreement constitutes the sole and entire agreement between Lessor and Lessee in relation to the leasing of the Aircraft and supersedes all previous agreements in relation to that leasing. Any amendments to this Agreement must be in writing and signed on behalf of Lessor and Lessee.

22.7 Rights of Third Parties

- (a) All rights expressed to be granted to each Indemnatee or Tax Indemnatee (other than Lessor) under this Agreement are given to Lessor on behalf of that Indemnatee or Tax Indemnatee, and each Indemnatee or Tax Indemnatee is an express third party beneficiary hereof. Except for Lessor, each Indemnatee and each Tax Indemnatee, no other Person shall be a third party beneficiary of this Agreement.
- (b) Any Tax Indemnatee or Indemnatee who is not a party to this Agreement may enforce the terms of this Agreement expressed to be for the benefit of or given by Lessee to or in favor of such Tax Indemnatee or Indemnatee.
- (c) All terms of this Agreement may be varied, amended or otherwise released by an agreement between Lessor and Lessee without reference to any Indemnatee or Tax Indemnatee.
- (d) If an Indemnatee or Tax Indemnatee is not a party to this Agreement, Lessee may require such Indemnatee or Tax Indemnatee to agree in writing, in a form reasonably acceptable to Lessee, to the terms of Clause 14 and Clause 20, as the case may be, prior to making any payments to such Indemnatee or Tax Indemnatee under Clause 14 or Clause 20, as the case may be.

22.8 Counterparts

This Agreement may be executed in two or more counterparts each of which will be deemed an original but all of which together will constitute one and the same agreement.

22.9 Language

All notices, requests, direction and other communications to be given under this Agreement will be in English. Unless otherwise provided herein, all documents delivered to Lessee or Lessor pursuant to this Agreement will be in English or, if not in English, will be accompanied by a certified English translation. If there is any inconsistency between the English version of this Agreement and any version in any other language, the English version will prevail.

22.10 Confidentiality

This Agreement, the terms hereof and all non-public information obtained by a party about any party are confidential and are among Lessor, Owner, Lessor Parent, Lessor Guarantor and Lessee only. Lessor, Owner, Lessor Parent, Lessor Guarantor and Lessee shall not, and shall procure that their respective officers, employees and agents shall not, disclose the contents of this Agreement or such nonpublic information to any third party (other than (a) to such party's or its Affiliates' auditors, legal advisors, regulators, financial advisors and rating agencies; (b) as required in connection with any filing of this Agreement in accordance with any applicable Regulation; (c) in connection with Lessor's potential transfer, assignment, sale, financing, refinancing of or related to the Aircraft and/or transfer or assignment of this Agreement; provided that any recipient of any such confidential information in such case shall as a condition precedent to receipt of the information execute and deliver a confidentiality agreement containing terms no less stringent than the terms of this Clause 22.10; (d) as required for enforcement by either party of its rights and remedies with respect to this Agreement; (e) as required by applicable Regulation; (f) in connection with any court or regulatory proceedings or (g) if such information is otherwise available in the public domain), without the prior written consent of the other party. If any disclosure will result in the Agreement becoming publicly available, Lessor, Owner, Lessor Parent, Lessor Guarantor and Lessee will cooperate with one another to obtain confidential treatment or limit the scope of disclosure as to the commercial terms and other material provisions of this Agreement.

22.11 Invalidity of any Provision

If any provision of this Agreement becomes invalid, illegal or unenforceable in any respect under any Law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

22.12 Survival

All indemnities, representations, warranties and other obligations of Lessee and Lessor shall survive, and remain in full force and effect, notwithstanding the expiration or other termination of this Agreement and/or the leasing of the Aircraft hereunder.

22.13 Further Assurance

- (a) Each of the parties agree to perform (or procure the performance of) all further acts and things within its control, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required by applicable Laws or as may be

necessary or reasonably desirable to implement and/or give effect to this Agreement, the transactions contemplated by this Agreement.

- (b) The out-of-pocket costs and expenses of performing the acts contemplated by sub-clause (a) above shall be borne by the requesting party, except that Lessee shall be responsible for any and all costs and expenses related to registration, filings and continuous perfection of any interest of Lessor created by this Agreement and the other Operative Documents (other than in connection with any transfers by the Lessor or Owner in accordance with Clause 21.2, except for any transfers arising in connection with the occurrence and continuance of an Event of Default).
- (c) Except to the extent expressly provided herein, any terms of this Agreement which expressly incorporate any provisions of the Cape Town Convention shall prevail in the case of any conflict with any other provision contained herein. Each of the parties hereto acknowledges and agrees that for purposes of the Cape Town Convention (to the extent applicable hereto), separate rights may exist with respect to the Airframe and Engines.

22.14 No Brokers

Except for SkyWorks Capital, LLC (whose fees and expenses are the sole responsibility of Lessee), each of the parties represents and warrants to the other that it has not paid, agreed to pay, or caused to be paid directly or indirectly to any Person in any form, any commission percentage contingent fee, brokerage or other similar payments of any kind, in connection with the establishment or operation of this Agreement. Each party agrees to indemnify and hold the other harmless from and against any and all claims, suits, damages, costs and expenses (including, reasonable legal fees and expenses) asserted by any agent, broker or other third party for any commission or compensation of any nature whatsoever based upon this Agreement or the Aircraft, if such claim, suit, damage, cost or expense arises out of any breach by the indemnifying party, its employees or agents of this Clause 22.14.

22.15 Chattel Paper

To the extent, if any, that this Agreement constitutes chattel paper (as such term is defined in the UCC as in effect in any applicable jurisdiction), no Security Interest in this Agreement may be created through the transfer or possession of any counterpart other than the original counterpart, which shall be identified as the counterpart designated as the "original" on the signature page of this Agreement by the Financing Parties Representative (if any) or Lessor, as the case may be.

22.16 True Lease

The parties intend and agree that this Agreement:

- (a) constitutes a "true lease", and not a "security interest" as defined in Section 1-201(37) of the UCC;
- (b) to the extent applicable, constitutes a "true lease" for United States federal income tax purposes; and

- (c) confers only a leasehold interest on Lessee in and to the Aircraft on and subject to the terms of this Agreement, and no ownership or other interest with respect to the Aircraft is provided to Lessee under this Agreement.

Lessee shall not file a tax return that is inconsistent with the provisions of this Clause.

22.17 Know Your Customer/OFAC Compliance

- (a) Each party represents, warrants and agrees that neither it nor any of its Affiliates is in violation of any Law relating to terrorism or money laundering enacted or promulgated by the United Nations, the European Union, the UK, the United States of America or Mexico (“**Anti-Terrorism Laws**”), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the “**Executive Order**”), and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56 (the “**Patriot Act**”).
- (b) Each party represents, warrants and agrees that it is not any of the following:
 - (i) a person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;
 - (ii) a person owned or controlled by, or acting for or on behalf of, any person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;
 - (iii) a person that commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order; or
 - (iv) a person that is named as a “special designated national and blocked person” on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control (“**OFAC**”) at its official website or any replacement website or other replacement official publication of such list.
- (c) Each party represents, warrants and agrees that it does not and for the Term shall not (i) conduct any business or engage in making or receiving any contribution of funds, goods or services to or for the benefit of any person described in the preceding clause (b), (ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or any similar laws of Mexico, or (iii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

22.18 USA Patriot Act Notice

Lessee agrees that pursuant to the requirements of the Patriot Act, Lessor may obtain, verify, and record information from Lessee that identifies Lessee, which information may include the name and address of Lessee, and its officers, directors and shareholders, and other information that will allow Lessor to identify Lessee in accordance and for purposes of compliance with the Patriot Act.

23. NOTICES; ELECTRONIC SIGNATURES

23.1 Every notice, request, direction or other communication under this Agreement shall be in English and be in writing delivered personally or sent with an internationally recognized courier service or by electronic mail (including PDF) and shall be deemed to have been received:

- (a) in the case of a letter when delivered personally or where sent with an internationally recognized courier service, on the date shown as the delivery date (or, if delivery was refused, the date of such refusal) in the records of the Person who effected such delivery; or
- (b) in the case of an electronic mail, at the time of dispatch with confirmed receipt,

provided always that where delivery by hand or by electronic email occurs after 6:00 p.m. on a Business Day, or on a day which is not a Business Day, service shall be deemed to occur at 9:00 a.m. on the next Business Day.

23.2 **Every** notice, request, direction or other communication under this Agreement shall be sent:

To Lessor at:

Address: Miracle Andromeda Company Limited
2 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland
Attention: The Directors
Email: ml_1006@cloveraviationcapital.com

with a copy to Lessor Parent at:

Address: Clover Aircraft Leasing Company Limited
2 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland
Attention: The Directors
Email: ml_1006@ cloveraviationcapital.com

To Owner at:

Address: Miracle Andromeda Company Limited
2 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland
Attention: The Directors
Email: ml_1006@cloveraviationcapital.com

with a copy to Lessor Parent at:

Address: Clover Aircraft Leasing Company Limited
2 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland
Attention: The Directors
Email: ml_1006@ cloveraviationcapital.com

To Lessee at:

Address: Aerovías de México, S.A. de C.V.
Paseo de la Reforma, No. 243, Piso 25
Colonia Cuauhtémoc
Alcaldía Cuauhtémoc
Mexico City, 06500
Mexico
Attention: Legal Department and Fleet Department
Facsimile: 52-55-9132-5079
Email: malvarez@aeromexico.com
amnotificacionesjuridico@aeromexico.com

or any substitute address, email address or fax number or department or officer as the relevant party may notify to the other party by not less than five (5) Business Days' notice.

- 23.3 In connection with the performance of their respective duties hereunder, each party may give notices, consents, directions, approvals, instructions and requests to, and otherwise communicate with, each other using electronic means, including email transmission to such email addresses as each such party shall designate to the other parties, and, if necessary or if requested by the other party or parties, with an "electronic signature" or other "electronic record" (as such terms are defined in the New York State Electronic Signatures and Records Act). Delivery of an executed counterpart of this Agreement or any other Operative Document by facsimile or email will be deemed effective as delivery of an originally executed counterpart. Any party delivering an executed counterpart of this Agreement or any other Operative Document by facsimile or email will also deliver an originally executed counterpart thereof, but the failure of any party to deliver an originally executed counterpart of this Agreement or any other Operative Document will not affect the validity or effectiveness of this Agreement or such other Operative Document.

24. GOVERNING LAW JURISDICTION AND WAIVER OF JURY TRIAL

24.1 Governing Law

PURSUANT TO AND IN ACCORDANCE WITH SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW, THE PARTIES HERETO AGREE THAT THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT, AND ALL ISSUES CONCERNING THE RELATIONSHIP OF THE PARTIES HEREUNDER AND THE ENFORCEMENT OF THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK AS APPLIED TO CONTRACTS TO BE PERFORMED WHOLLY WITHIN THE STATE OF

NEW YORK (EXCLUSIVE OF SECTION 7-101 OF THE NEW YORK GENERAL OBLIGATIONS LAW WHICH IS INAPPLICABLE TO THIS AGREEMENT) WITHOUT REGARD TO ANY CONFLICTS OF LAW PRINCIPLES. THE PARTIES AGREE THAT THIS AGREEMENT WAS DELIVERED IN THE STATE OF NEW YORK.

THE FOREGOING ELECTION OF THE LAWS OF THE STATE OF NEW YORK IS WITHOUT PREJUDICE TO THE RIGHT OF LESSOR TO APPLY THE LAWS OF MEXICO CITY OR ANY OTHER RELEVANT JURISDICTION TO ANY REPOSSESSION OR OTHER ENFORCEMENT OF RIGHTS UNDER THE LEASE WHILE THE AIRCRAFT IS LOCATED OR REGISTERED IN MEXICO OR SUCH OTHER JURISDICTION.

24.2 Jurisdiction

Pursuant to and in accordance with Section 5-1402 of the New York General Obligations Law, Lessee and Lessor each irrevocably agrees that (i) the United States District Court for the Southern District of New York sitting in The Borough of Manhattan and any New York state court sitting in the County of New York, New York, and all related appellate courts, and (ii) the courts of the jurisdictions in which the Aircraft at the relevant time is located, including, without limitation, the courts of the City of Mexico, in the case of enforcement proceedings in respect of remedies hereunder, have non-exclusive jurisdiction to settle any disputes arising out of or relating to this Agreement or any of the other Operative Documents and submits itself and its property to the jurisdiction of the foregoing courts with respect to such dispute.

24.3 Process Agent

(a) Without prejudice to any other mode of service, Lessee:

- (i) appoints Cogency Global Inc., at 10 E. 40th Street, 10th Floor, New York, New York 10016 as its agent for service of process relating to any proceedings before the New York courts described in Clause 24.2 (*Jurisdiction*) in connection with this Agreement and agrees to maintain the process agent in New York notified to Lessor;
- (ii) agrees that failure by a process agent to notify Lessee of the process shall not invalidate the proceedings concerned; and
- (iii) consents to the service of process relating to any such proceedings by prepaid mailing or by personal delivery of a copy of the process to Lessee's agent at the address identified in Clause 24.3(a)(i) above or by facsimile or prepaid mailing by air mail, certified or registered mail, or by personal delivery, of a copy of the process to Lessee at the address set forth in Clause 23.2.

(b) Without prejudice to any other mode of service, Lessor:

- (i) appoints [____], at [address] as its agent for service of process relating to any proceedings before the New York courts described in Clause 24.2 (*Jurisdiction*) in connection with this Agreement and agrees to maintain the process agent in New York notified to Lessee;
- (ii) agrees that failure by a process agent to notify Lessor of the process shall not invalidate the proceedings concerned; and

- (iii) consents to the service of process relating to any such proceedings by prepaid mailing or by personal delivery of a copy of the process to Lessor's agent at the address identified in Clause 24.3(b)(i) above or by facsimile or prepaid mailing by air mail, certified or registered mail, or by personal delivery, of a copy of the process to Lessor at the address set forth in Clause 23.2.

24.4 Waiver of Objections

Each of Lessee and Lessor:

- (a) waives to the fullest extent permitted by Law any objection which it may now or hereafter have to the courts referred to in Clause 24.2 (*Jurisdiction*) on grounds of inconvenient forum or otherwise as regards proceedings in connection with this Agreement;
- (b) waives to the fullest extent permitted by Law any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement brought in the courts referred to in Clause 24.2 (*Jurisdiction*); and
- (c) to the extent permitted by applicable law, agrees that a judgment or order of any court referred to in Clause 24.2 (*Jurisdiction*) in connection with this Agreement is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction as if made by the highest court in that other jurisdiction and accordingly Lessee will not seek to, nor be entitled to, contest and/or delay and/or obstruct registration or enforcement of any such judgment and/or award and/or order on grounds of public policy or otherwise.

24.5 Waiver of Sovereign Immunity and Other Defenses

Each of Lessee and Lessor irrevocably and unconditionally:

- (a) agrees that the transactions contemplated hereby are commercial in nature and that if the other brings legal proceedings against it or its assets in relation to this Agreement no sovereign or other immunity from such legal proceedings (which will be deemed to include suit, court jurisdiction, attachment prior to judgment, attachment in aid of execution of a judgment, other attachment, the obtaining of judgment, execution of a judgment or other enforcement or legal process or remedy) will be claimed by or on behalf of itself or with respect to its assets;
- (b) waives any such right of immunity which it or its assets now has or may in the future acquire and agrees that the foregoing waiver shall have the fullest extent permitted under the Foreign Sovereign Immunities Act of 1976 of the United States of America and is intended to be irrevocable for the purposes of such Act; and
- (c) waives any requirement, of any kind whatsoever, for Lessor to provide any form of security in respect of the payment of any damages, costs, expenses or any other financial obligation resulting from the commencement or prosecution of proceedings or the making of or service of any order and Lessee undertakes (x) not to challenge the validity of any proceedings or the making of any orders without any requirement for the provision of such security, (y) to advise any court upon Lessor's request that Lessee

requires no such security, and (z) to provide security itself for any third party claims arising out of or in connection with such proceedings and/or orders.

24.6 Waiver of Jury Trial

EACH OF LESSEE AND LESSOR HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHTS TO A JURY TRIAL IN RESPECT OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THE LESSOR/LESSEE RELATIONSHIP BEING ESTABLISHED, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND OTHER COMMON LAW AND STATUTORY CLAIMS. EACH OF LESSOR AND LESSEE REPRESENTS AND WARRANTS THAT EACH HAS REVIEWED AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH ITS LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS CLAUSE MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

[Signature Page Follows]

IN WITNESS WHEREOF Lessor and Lessee have executed and delivered this Agreement in the State of New York, U.S.A., both as of the date shown at the beginning of this Agreement.

AEROVÍAS DE MÉXICO, S.A. DE C.V.
Lessee

**MIRACLE ANDROMEDA COMPANY
LIMITED**
Lessor

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

By: _____

Name: _____

Title: _____

TO THE EXTENT IF ANY THAT THIS DOCUMENT CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST IN THIS DOCUMENT MAY BE PERFECTED THROUGH THE POSSESSION OF ANY ORIGINAL OR COPY HEREOF OTHER THAN THAT MARKED "CHATTEL PAPER ORIGINAL".

CHATTEL PAPER ORIGINAL

IN WITNESS WHEREOF Lessor and Lessee have executed and delivered this Agreement in the State of New York, U.S.A., both as of the date shown at the beginning of this Agreement.

AEROVÍAS DE MÉXICO, S.A. DE C.V.
Lessee

**MIRACLE ANDROMEDA COMPANY
LIMITED**
Lessor

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

By: _____

Name: _____

Title: _____

TO THE EXTENT IF ANY THAT THIS DOCUMENT CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST IN THIS DOCUMENT MAY BE PERFECTED THROUGH THE POSSESSION OF ANY ORIGINAL OR COPY HEREOF OTHER THAN THAT MARKED "CHATTEL PAPER ORIGINAL".

SCHEDULE 1
DEFINITIONS AND CONSTRUCTION

1. Defined Terms

1.1 The following words and expressions have the respective meanings set forth below:

“Acceptable LC Bank Rating” has the meaning given to it in Clause 6.4(b) (*Provision of Letter of Credit*);

“Acceptance Certificate” means a certificate of acceptance of the Aircraft to be executed and delivered by the parties at Delivery substantially in the form appearing in Schedule 9;

“AFAC” means the *Agencia Federal de Aviación Civil* of the *Secretaría de Comunicaciones y Transportes de México* and each other Mexican governmental airworthiness authority having authority with respect to the Aircraft that is comparable to the authority of the FAA and any successor thereto;

“Affiliate” means, in relation to any Person, any Person directly or indirectly controlling, controlled by, or under common control with such first Person; and a Person shall be deemed to control another Person if such first Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, contract or otherwise;

“Agreed Form” means the form agreed between Lessor and Lessee;

“Agreed Value” has the meaning provided in Part A of the Financial Terms Annex;

“Agreement” means this Aircraft Lease Agreement together with its Schedules;

“Aircraft” means the aircraft described in Schedule 6 (*Description of Aircraft*), including all buyer furnished equipment and in-flight entertainment equipment (which term includes where the context admits a separate reference to all Engines, Parts and Aircraft Documents);

“Aircraft Documents” means the documents, data, aircraft manuals and technical records relating to the Aircraft at the time of Delivery and any other documents, information and records maintained or required to be maintained by Lessee with respect thereto, including all items referred to in Clause 11.1 (*Aircraft Documents*) and Schedule 7 (*Aircraft Documents at Redelivery*) and all additions, renewals, revisions and replacements from time to time made thereto in accordance with this Agreement;

“Aircraft Object” has the meaning given to such term in the Consolidated Text;

“Aircraft Purchase Agreement” means the Purchase Agreement No. 3813 dated 5 November 2012 between the Airframe Manufacturer and Lessee incorporating the Aircraft General Terms Agreement dated November 1, 2002 between the Airframe Manufacturer and Lessee insofar as it relates to the Aircraft together with any purchase agreement, all tables, exhibits, supplemental exhibits, letter agreements and other attachments thereto, if any;

“Airframe” means the Aircraft, excluding the Engines and the Aircraft Documents;

“**Airframe Manufacturer**” means The Boeing Company;

“**Airframe Warranty Assignment**” means the airframe warranty assignment entered into or to be entered into between Lessor and Lessee, and the related consent and agreement between Lessor, Lessee and the Airframe Manufacturer, in respect of the Aircraft in the Agreed Form;

“**Airworthiness Directive**” or “**AD**” means any and all State of Manufacture airworthiness directives and/or State of Registration airworthiness directives and/or airworthiness directives issued by the AFAC;

“**AMM**” means, from time to time, the latest revision of the Airframe Manufacturer’s approved maintenance manual for the Aircraft;

“**Anti-Corruption Laws**” means the US Foreign Corrupt Practices Act of 1977, as amended, and any other anti-bribery or anti-corruption law or regulation in the EU, the US, Ireland or Mexico;

“**Anti-Money Laundering Laws**” means those money laundering statutes in the EU, the US, Ireland or Mexico;

“**Anti-Terrorism Laws**” has the meaning given to it in Clause 22.17 (*Know Your Customer/OFAC Compliance*);

“**Approved Maintenance Performer**” means (a) for all Major Checks, any shop visit of an Engine, the APU or any Landing Gear or the overhaul of any serialized components and all major modifications, any maintenance facility approved by (i) the Aviation Authority and (ii) either EASA or the FAA and (b) for all lower-level checks, repairs, maintenance, testing, modifications or other work, any maintenance facility approved by the Aviation Authority which, in either case, may be Lessee so long as Lessee has the requisite licenses and approvals;

“**APU**” means the auxiliary power unit installed on the Aircraft on the Delivery Date and any replacement auxiliary power unit installed in accordance with this Agreement title to which is vested in Owner in accordance with this Agreement;

“**APU Equivalency Charge**” shall mean the APU Equivalency Charge, if any, payable pursuant to Part B of the Financial Terms Annex (*Redelivery Maintenance Payments*);

“**APU Hour**” means each hour or part thereof (rounded to the nearest minute) elapsing from the moment the APU is started to the moment when the APU is shut down;

“**APU Manufacturer**” means Honeywell, Inc.;

“**APU Medium Repair Shop Visit**” means, with respect to the APU, a level of work that includes, at a minimum, [REDACTED];

“**Aviation Authority**” means the AFAC and the RAM for so long as the State of Registration is Mexico, and, if the Aircraft is registered in another State of Registration, the authorities, government departments, committees or agencies which under the laws of that State of Registration shall from time to time:

- (a) have control or supervision of civil aviation in that state; or

- (b) have jurisdiction over the registration, airworthiness or operation of, or other matters relating to, the Aircraft;

“Back to Birth Traceability” means in respect of any Part or part, original documentary evidence specifying the part number and the unique serial number of such Part or part, and providing a detailed full operational history record acceptable to an FAA or EASA regulatory standard but in any event having the following: (i) (x) for a part delivered new as a spare part, the manufacturer’s airworthiness document (FAA Form 8130–3 or EASA Form One (to the extent such EASA form is permitted by the FAA and the Maintenance Program)) showing the part number and serial number, and (y) for a part delivered new installed on an assembly, the manufacturer’s assembly bill of material listing showing part number, serial number, assembly serial number and where relevant the as-delivered model and thrust rating; and (ii) a removal/installation (‘on/off’) transaction history detailing an unbroken record of the Flight Hours and Cycles elapsed at each relevant thrust rating (for Engine Life Limited Parts) from new up to current;

“Bankruptcy Cases” means the Chapter 11 cases commenced by Lessee and its affiliates on June 30, 2020 and pending in the Bankruptcy Court under the lead case no. 20-11563 and all affiliated and associated filings and proceedings in any other court or jurisdiction relating to such cases;

“Bankruptcy Code” means title 11 of the United States Code, 11 U.S.C. §101 *et seq.*;

“Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of New York;

“Bankruptcy Court Order” means an order entered by the Bankruptcy Court substantially in the form attached to the Installment Purchase Agreement Amendment as Exhibit 1 (*Bankruptcy Court Order*) or otherwise in form and substance acceptable to the parties hereto;

“Base Lease Term” means a period of 144 months beginning on and including the Delivery Date and ending on the Scheduled Expiry Date, or such earlier date on which the Term terminates in accordance with the provisions of this Agreement;

“Bill of Sale” means the warranty bill of sale transferring title to the Aircraft from the Manufacturer to Owner;

“Business Day” means any day (other than a Saturday or Sunday) on which banks are open for business in (i) Mexico City, Mexico, (ii) the jurisdictions where the Lessor is located and where payment is made by Lessee and (iii) New York City, New York for US Dollar clearance;

“Breakage Costs” means all costs, losses, premiums, penalties or out-of-pocket expenses, incurred or suffered by Lessor [REDACTED] in liquidating or employing funds raised by it on any interbank market or otherwise in connection with the financing of Lessor’s purchase or ownership of the Aircraft [REDACTED] to the extent directly related to such financing and/or the leasing of the Aircraft hereunder;

“C Check” means a block “C” check in accordance with the Maintenance Program in effect on the date when such check is carried out;

“Cape Town Convention” means The Convention on International Interests in Mobile Equipment, concluded in Cape Town, South Africa, on November 16, 2001 (utilizing the English-

language version thereof as in effect in Mexico on the Delivery Date), and references to the Cape Town Convention will include the Protocol as appropriate, and for so long as the Aircraft is registered in Mexico, references to the Cape Town Convention refer to the Cape Town Convention as adopted and implemented in Mexico;

“**Claim**” has the meaning given to it in Clause 14.2 (*Notification and Contest*);

“**Companion Agreement**” means for so long as the Owner and Lessor of the Aircraft is an Affiliate of Lessor Parent (a) each aircraft lease agreement entered into between the Lessor or an Affiliate of Lessor Parent, as lessor and the Lessee, as lessee, with respect to the leasing of Companion Aircraft; provided that such aircraft lease agreement shall be a “Companion Agreement” for purposes hereof only so long as the lessor thereunder is an Affiliate of Lessor Parent and (b) the Installment Purchase Agreement;

“**Companion Agreement Event of Default**” means, in respect of any Companion Agreement (other than the Installment Purchase Agreement), an Event of Default as defined therein or, in the case of the Installment Purchase Agreement, an Event of Default as defined therein;

“**Companion Aircraft**” means the Boeing 737 MAX 8 and the Boeing 737 MAX 9 aircraft bearing manufacturer’s serial numbers [REDACTED], other than the Aircraft, or, if the Airframe Manufacturer has revised any such serial number, bearing such revised manufacturer’s serial number as the Airframe Manufacturer notifies to Lessee;

“**Conditions Precedent**” means the conditions specified in Schedule 3 (*Conditions Precedent*);

“**Consolidated Text**” means the Consolidated Text of the Cape Town Convention and the Protocol attached to Resolution No. 1 of the Final Act of the Diplomatic Conference to adopt the Cape Town Convention and the Protocol held under the auspices of ICAO and UNIDROIT at Cape Town, South Africa from 29 October to 16 November 2001;

“**CPCP**” means corrosion prevention and control program;

“**Cycle**” means one take-off and landing of the Aircraft or, in respect of any Engine or Part temporarily installed on another airframe, one take-off and landing of that other airframe;

“**Damage Notification Threshold**” has the meaning provided in Part A of the Financial Terms Annex;

“**Default Interest**” means any interest paid or payable pursuant to Clause 7.2 (*Default Interest*);

“**Default Rate**” has the meaning given such term in Part A of the Financial Terms Annex;

“**Delivery**” means delivery of the Aircraft on lease by Lessor to Lessee under this Agreement;

“**Delivery Condition Specification**” means the condition detailed in Schedule 6 (*Description of Aircraft*), including the minimum requirements for the Aircraft as set forth in such Schedule, as the same is amended prior to Delivery; provided that there shall be no change to the general description (below such minimum requirements) of the Aircraft set forth on the first page of Schedule 6 without the consent of the Lessor;

“**Delivery Date**” means the date on which Delivery occurs;

“Delivery Location” means the facilities of the Airframe Manufacturer or such other location as may be agreed by Lessor and Lessee;

“Deregistration Power of Attorney” means the irrevocable power of attorney from Lessee in the form attached hereto as Schedule 12.

“Discount Rate” has the meaning set forth in Part A of the Financial Terms Annex;

“Dollars”, “\$” and “US\$” means the lawful currency of the United States of America and, in relation to all payments in dollars to be made under or pursuant to this Agreement, in immediately available funds;

“EASA” means the European Aviation Safety Agency and any successor thereof;

“Engine” means, whether or not for the time being installed on the Aircraft:

- (a) the engines specified in the Acceptance Certificate; or
- (b) any engine which has replaced that engine, title to which has, or should have, passed to Owner in accordance with this Agreement, including, without limitation, any Replacement Engine,

and in each case includes all modules and Parts from time to time belonging to or installed in that engine but excludes any properly replaced engine title to which has, or should have, passed to Lessee pursuant to this Agreement;

“Engine Core Modules” means, at any time, any of the major modules of an Engine that are defined as core modules in the LMG as in effect at that time;

“Engine Equivalency Charge” shall mean the Engine Equivalency Charge payable pursuant to Part B of the Financial Terms Annex (*Redelivery Maintenance Payments*);

“Engine LLP Equivalency Charge” shall mean the Engine LLP Equivalency Charge, if any, payable pursuant to Part B of the Financial Terms Annex (*Redelivery Maintenance Payments*);

“Engine Manufacturer” means CFMI International, Inc.;

“Engine Performance Restoration” means in respect of an Engine, the performance of off wing engine shop maintenance and repair accomplished for that Engine including the level of maintenance (performance restoration or overhaul) [REDACTED];

“Engine Thrust Rating” means the “Engine Thrust Rating” of the Engines as set out in Schedule 6 (*Description of Aircraft*);

“Engine Warranties Assignment” means the engine warranty and/or product support assignment entered into or to be entered into between Lessor and Lessee, and the related consent and agreement between Lessor, Lessee and the Engine Manufacturer, in respect of the Engines in the Agreed Form;

“Equipment Change” means any modification in or alteration and addition to the Aircraft;

“Event of Default” means any event or circumstance specified in Clause 19.1 (*Events of Default*);

“Executive Order” has the meaning given to it in Clause 22.17 (*Know Your Customer/OFAC Compliance*);

“Expiry Date” means the date determined in accordance with Clause 4.1 (*Expiry Date*);

“FAA” means the Federal Aviation Administration of the United States of America and any successor thereof;

“FAR” means the Federal Aviation Regulations set forth in Title 14 of the United States Code of Federal Regulations;

“Filing Bill of Sale” means the Bill of Sale, notarized and apostilled, together with its translation into Spanish for registration purposes before the RAM;

“Final Order” means an order or judgment, the operation or effect of which has not been reversed, stayed, modified, or amended, and as to which order or judgment (or any reversal, stay, modification, or amendment thereof) (a) the time to appeal, seek certiorari, or request reargument or further review or rehearing has expired and no appeal, petition for certiorari, or request for reargument or further review or rehearing has been timely filed, or (b) any appeal that has been or may be taken or any petition for certiorari or request for reargument or further review or rehearing that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed, from which certiorari was sought, or to which the request was made, and no further appeal or petition for certiorari or request for reargument or further review or rehearing has been or can be granted; provided, however, with respect to either of the foregoing, no order or judgment shall fail to be a final order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be filed with respect to such order or judgment;

“Financial Terms Annex” means Schedule 4, which contains financial terms that shall be redacted in the counterpart of this Agreement that is filed for recordation with any Aviation Authority or any other Government Entity;

“Financing Documents” means each present and/or future document which is from time to time related to any financing of the Aircraft by Lessor or Owner (including for such purpose any mortgage or leasing arrangements whether or not constituting a financing and any documents ancillary thereto);

“Financing Parties” means any Person or Persons from time to time notified by Lessor to Lessee as providing financing to Lessor or Owner in respect of Lessor’s acquisition, ownership or leasing of the Aircraft, whether by way of loan, head lease or otherwise and shall include the Financing Parties Representative;

“Financing Parties Representative” means the Person or Persons that from time to time represent the Financing Parties as agent, trustee, secured party, security trustee, or in another similar capacity, the identity of which Lessor from time to time notifies Lessee as being a Financing Parties Representative;

“Flight Hour” means each hour or part thereof (rounded to the nearest minute) elapsing from the moment at which the wheels of the Aircraft leave the ground on the take-off of the Aircraft until the wheels of the Aircraft touch the ground on the landing of the Aircraft following such take-off, or in the case of any Engine or Part installed on another aircraft means each hour or part thereof

(rounded to the nearest minute) elapsing from the moment at which the wheels of that aircraft leave the ground on take-off of that aircraft until the wheels of that aircraft touch the ground on the landing of that aircraft following such take-off;

“FM Rent” has the meaning given to it in Clause 4.2.2 (*Renewal Rent and Documentation*);

“Geneva Convention” means the Convention on the International Recognition of Rights in Aircraft signed at Geneva, Switzerland on 19 June 1948, and amended from time to time;

“Government Entity” means:

- (a) any national government, political subdivision thereof, or local jurisdiction therein;
- (b) any instrumentality, board, commission, court, or agency of any thereof, however constituted;
- (c) any association, organization, or institution of which any of the above is a member or to whose jurisdiction any of the above is subject or in whose activities any of the above is a participant; and
- (d) to the extent that an airport, ground handling or air navigation service is not run or provided by an entity which falls within sub-paragraph (a) – (c) above, such relevant entity, body, corporate, organization or institution;

“Gross Negligence” means, in relation to an Indemnatee or Tax Indemnatee, gross negligence as determined under New York Law;

“IDERA” means an irrevocable deregistration and export request authorization pursuant to and for the purposes of the Cape Town Convention;

“Indemnitees” means each of the Lessor Parties, the Financing Parties and each of their respective shareholders, members, managers, partners, Affiliates, contractors, trustees, beneficiaries, directors, officers, servants, agents, representatives, employees, successors, assigns and transferees;

“Installment Purchase Agreement” means that certain Installment Purchase Agreement dated as of October 27, 2017 among Seller, Lessee and Purchaser, with respect to the Aircraft and the Companion Aircraft, as amended by the Installment Purchase Agreement Amendment;

“Installment Purchase Agreement Amendment” means the Installment Purchase Agreement Amendment dated as of [___], 2021 among Seller, Lessee, Purchaser and Lessor Guarantor;

“Insurances” means insurances and any reinsurances in respect of the Aircraft described in and complying with the requirements of Clause 15 (*Insurance*) and Schedule 5 (*Insurance Requirements*);

“International Interest” has the meaning given to such term in the Consolidated Text;

“International Registry” has the meaning given to such term in the Consolidated Text;

“Landing Gear” means the complete strut assembly, consisting of the inner and outer cylinders of each main landing gear and nose landing gear and all associated parts that comprise each

landing gear assembly, as listed in the Aircraft Documents including side struts, braces, and uplock and downlock mechanisms but excluding, without limitation, rotatable parts such as wheels, tires, brakes, transducers and switch assemblies, title to which is vested in the Owner;

“Landing Gear Equivalency Charge” shall mean the Landing Gear Equivalency Charge, if any, payable pursuant to Part B of the Financial Terms Annex (*Redelivery Maintenance Payments*);

“Landing Gear Overhaul” means an overhaul of a Landing Gear assembly in accordance with the Landing Gear Manufacturer’s repair manual that restores such Landing Gear to a [REDACTED] condition in accordance with the Landing Gear Manufacturer’s repair manual and is performed in accordance with the Landing Gear Manufacturer’s overhaul specifications and operating criteria (excluding any rotatable components such as wheels, tires, brakes and consumable items);

“Law” includes common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, statute, treaty or other legislative measure in any jurisdiction or any present or future directive, regulation, request or requirement (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the general practice of Persons to whom the directive, regulation, request or requirement is addressed);

“LC Renewal Date” has the meaning given to it in Clause 6.5(c) (*Letter of Credit*);

“Lessee Conditions Precedent” means the Conditions Precedent to be satisfied by Lessee, listed at Clause 1 of Schedule 3 (*Conditions Precedent*);

“Lessor Conditions Precedent” means the Conditions Precedent to be satisfied by Lessor, listed at Clause 3 of Schedule 3 (*Conditions Precedent*);

“Lessor Guarantor” means Clover Aircraft Leasing Company Limited;

“Lessor Guarantee” means the Guarantee dated on or about the date hereof made by Lessor Guarantor in favor of Lessee guaranteeing the obligations of Lessor under this Agreement and the other Operative Documents to which Lessor is a party in form and substance acceptable to Lessee;

“Lessor Lien” means:

- (a) any Security Interest in respect of the Aircraft from time to time created by, through or under any Lessor Party or any Affiliate of any Lessor Party in connection with the financing of the Aircraft;
- (b) any other Security Interest in respect of the Aircraft which results from (x) acts of or claims against any Lessor Party, any Affiliate of any Lessor Party or any Financing Party, any Financing Party not related to the transactions contemplated by or permitted under this Agreement or the other Operative Documents, or (y) any indebtedness, liability or other obligation arising by, through or under any Lessor Party, or any Affiliate of any Lessor Party or Financing Party that is not the subject of any Lessee’s indemnity, payment or reimbursement obligation under this Agreement; and
- (c) any Security Interest in respect of the Aircraft for Lessor Taxes;

“**Lessor Parent**” means Clover Aircraft Leasing Company Limited;

“**Lessor Party**” means each of Lessor, Owner, Lessor Guarantor and Lessor Parent;

“**Lessor Taxes**” means Taxes specified in Clause 20.3(b) (*Tax Indemnity*);

“**Letter of Credit**” means a letter of credit provided pursuant to and in accordance with Clause 6.4 (*Provision of Letter of Credit*);

“**LIBOR**” means, in relation to any period and amount in respect of which an interest rate falls to be determined pursuant to this Agreement:

- (a) the ICE Benchmark Administration Limited interbank offered rate (or the interbank offered rate of any other Person that takes over the administration of such rate) for United States dollar deposits, as appearing on page BBAM01 of Bloomberg (or successor or replacement page) or equivalent page published by an alternative information provider for the specified period at or around 11:00 a.m. on the Quotation Date therefor; or
- (b) if no such rate is available, the rate determined by Lessor to be the arithmetic mean (rounded upwards, if not already such a multiple, to the nearest whole multiple of one sixteenth of one per cent.) of the rates (as notified to Lessor) at which each of the Reference Banks (on the basis that at least two Reference Banks so notify Lessor) was offering to prime banks in the London Interbank Market, on the Quotation Date, deposits in Dollars for the specified period;

for the purposes of this definition, “**specified period**” means the period having a duration equal to or as close as practicable to the relevant period in respect of which LIBOR falls to be determined;

“**Life Limited Part**” or “**LLP**” means any Part that has a pre-determined life limit as mandated by the Manufacturer, the Aviation Authority, the FAA or EASA which requires any such Part to be discarded upon reaching such life limit;

“**LMG**” means the Engine Manufacturer’s [REDACTED] Maintenance Guide, or any equivalent maintenance planning guide published by the Engine Manufacturer;

“**Loss**” means any loss, liability, action, claim, proceeding, judgment, penalty, fine, damages, fee, cost or expense (including legal fees and expenses, including legal fees and expenses incurred to enforce any applicable indemnity);

“**Maintenance Program**” has the meaning given to it in Clause 11.4(a) (*Maintenance Program*);

“**Major Checks**” means a C Check, a Structural Check, a shop visit of an Engine or the APU involving its removal from an airframe and a Landing Gear Overhaul;

“**Mandatory Orders**” means all and any Aviation Authority and FAA mandatory orders and Regulations applicable to the Aircraft, any Engine or any Part;

“**Manufacturer**” means, in relation to the Airframe, The Boeing Company or, in relation to the Engines, CFMI International, Inc. or in relation to any Part, the manufacturer of that Part;

“Manufacturer’s Maintenance Manual” means the individual manuals or maintenance data sets published by the Aircraft, Engine and Parts Manufacturer (as the case may be);

“Manufacturer’s Maintenance Planning Document” or **“MPD”** means the planning document relating to recommended maintenance of the Aircraft issued by Manufacturer, including the airworthiness limitation section, as the same may from time to time be amended, modified or supplemented;

“Material Event of Default” means an Event of Default arising under [REDACTED] of this Agreement or a Companion Agreement Event of Default arising under [REDACTED] of any Companion Agreement which is an aircraft lease agreement or under [REDACTED] of the Installment Purchase Agreement;

“Maximum Deductible Amount” has the meaning provided in Part A of the Financial Terms Annex;

“Mexico” means the United Mexican States;

“Minimum Liability Coverage” has the meaning provided in Part A of the Financial Terms Annex;

“Minor Discrepancy” means any discrepancy or discrepancies from the Redelivery Conditions, as applicable, that:

(a) does not or do not affect the type certification, operational utility or airworthiness of the Aircraft or are not in respect of the Hard Time Landing Gear Minimum specified in Clause E of Schedule 8, the Engine LLP Hard Life Cycle Minimum specified in Clause F of Schedule 8, the Engine Hard Time Performance Restoration Minimum specified in Clause G of Schedule 8 and the APU Hard Life Cycle Minimum specified in Clause H of Schedule 8;

(b) individually does not cost in excess of \$[REDACTED], and in the aggregate do not cost in excess of \$[REDACTED] to rectify (depending on the nature of the discrepancy, calculated with reference to the catalogue price applicable as at the Redelivery Date or the mutually agreed cost of rectification or repair); and

(c) is not reasonably expected to cause the Aircraft to be out of revenue service for any length of time;

“OEM” means in relation to any Part or part the original equipment manufacturer or the original type certification bidder of such Part or part;

“OFAC” has the meaning given to it in Clause 22.17 (*Know Your Customer/OFAC Compliance*);

“Operative Documents” means (a) this Agreement, the Acceptance Certificate, the Installment Purchase Agreement, the Purchase Agreement Assignment, the Airframe Warranty Assignment, the Engine Warranties Assignment, any IDERA issued pursuant to the terms hereof, each Deregistration Power of Attorney, any Permitted Sublease, the Lessor Guarantee, any Owner Quiet Enjoyment Letter, together with (b) any schedules, documents, notices or certificates from time to time executed or issued by Lessee pursuant hereto or thereto and (c) any side letters, supplements, amendments or modifications to any of the foregoing from time to time executed or agreed to by Lessee which (other than in the case of amendments to Operative Documents, which

shall automatically be Operative Documents), are agreed in writing by Lessor and Lessee to be Operative Documents for the purposes of this Agreement;

“**Owner**” means Lessor or such other Person to whom title to the Aircraft is transferred pursuant to Clause 21.2 (*Lessor Transfer*);

“**Owner Quiet Enjoyment Letter**” means the quiet enjoyment letter from Owner addressed to Lessee in the form of Schedule 15;

“**Paid Amount**” has the meaning given to it in Clause 6.5(h) (*Letter of Credit*);

“**Part**” means, whether or not for the time being installed on the Aircraft:

- (a) any component, furnishing or equipment (other than a complete Engine) furnished with the Aircraft on the Delivery Date; and
- (b) any other component, furnishing or equipment (other than a complete Engine) title to which has, or should have, passed to Owner pursuant to this Agreement;

but excludes any such items title to which has, or should have, passed to Lessee pursuant to this Agreement;

“**Patriot Act**” has the meaning given to it in Clause 22.17 (*Know Your Customer/OFAC Compliance*);

“**Permitted Lien**” means:

- (a) any lien for Taxes not assessed or, if assessed, not yet due and payable, or being contested in good faith by appropriate proceedings; or
- (b) any lien of a repairer, mechanic, carrier, hangarkeeper, airport, air navigation authority or other similar lien arising in the ordinary course of business by operation of law in respect of obligations which are not overdue or are being contested in good faith by appropriate proceedings; or
- (c) any Lessor Lien; or
- (d) any lien arising out of any judgment or award against Lessee provided such judgment or award is discharged, vacated or the execution thereof stayed pending appeal within thirty (30) days of the date of entry thereof and so long as during any such period such judgment or award does not involve any material risk of the sale, forfeiture or other loss of the Aircraft or any risk of criminal or material civil liability against Lessor or any other Indemnitees;
- (e) any Security Interest arising from the Operative Documents; and
- (f) any rights of a Permitted Sublessee under a sublease or a Person participating in a pooling arrangement contemplated by Clause 10.4;

but only if (in the case of (a), (b) and (d)) (i) adequate reserves have been taken by Lessee for the payment of such Taxes or obligations or judgment (information as to such reserves shall be provided to Lessor upon request); and (ii) such proceedings, or the continued existence of such

lien, do not give rise to any material risk of the sale, forfeiture or other loss of the Aircraft or any interest therein or any risk of criminal liability or material civil liability against Lessor or any other Indemnitee;

“Permitted Sublessee” has the meaning set forth in Clause 10.3 (*Subleasing*);

“Person” means any individual, firm, partnership, joint venture, trust, corporation, Government Entity, corporate or business association, committee, department, authority or any other entity, incorporated or unincorporated, whether having distinct legal personality or not, or any member of the same and Persons shall be construed accordingly;

“Post-Delivery Authorizations and Filings” means the authorizations, registrations, documents, filings and other items to be delivered or provided by Lessee after the Delivery Date pursuant to Clause 5 of Schedule 3 (*Conditions Precedent*);

“Pre-Approved Sublessee” means any airline or air operator from time to time listed on Schedule 13 which may be amended from time to time pursuant to Clause 10.3(e) and any Affiliate of any such airline or air operator which is itself an airline or air operator, provided that the obligations of such Affiliate are guaranteed by the airline or an operator listed on Schedule 13;

“Pre-Delivery Authorizations and Filings” means each of the following:

- (a) evidence that Lessee has received from the Aviation Authority a provisional registration mark (*oficio de matrícula provisional*) for the Aircraft;
- (b) evidence that a Uniform Commercial Code filing has been made with respect to this Agreement and the Security Deposit referenced herein and such other authorizations, filings, registrations and other like action to be made with or obtained from any Government Entity as Lessor may reasonably request;
- (c) an import license or certificate with respect to the Aircraft, duly authorized and issued to Lessee by the appropriate Government Entity together with any other documents the Lessee may need to import the Aircraft into Mexico; and
- (d) export documentation issued by the FAA with respect to the Aircraft, as may be required by applicable Law;

“Prohibited Country” means any state, country or jurisdiction which, at any relevant time, is subject to an embargo, sanction, resolution, order, export restriction or prohibition order (or any similar order or directive) of:

- (a) the United Nations Security Council;
- (b) any Government Entity of the European Union, the United States of America (including, but not limited to, OFAC), Ireland or the State of Registration,

and, in each case, the effect of which unless any applicable consents, exemptions or licences have been obtained or are applicable in relation to the Aircraft or its operation prohibits Lessee, Lessor and/or any Permitted Sublessee from leasing, financing, exporting, using or operating the Aircraft to, from or in that state, country or jurisdiction;

“Prohibited Person” means a target or subject of any Sanctions, including, without limitation, any person or entity with whom transactions are prohibited or restricted under (x) the US sanctions administered by OFAC or any other U.S. government authority or department authority or department, (y) any other US government sanction, export or procurement laws or (z) any sanctions or restrictive measures imposed by Ireland, Mexico or the European Union including a person designated on any list of restricted entities, persons or organizations published by Ireland, Mexico, the US, the United Nations or the European Union or any member state thereof, including but not limited to:

- (a) the OFAC Specially Designated Nationals and Blocked Persons List, the BIS Denied Persons List, Entity List or Unverified List or the DDTTC Debarred Parties List;
- (b) the HM Treasury Consolidated List of Financial Sanctions Targets in the UK;
- (c) the European Union Consolidated list of persons, groups and entities subject to EU financial sanctions; and
- (d) the Compendium of United Nations Security Council Sanctions Lists,

or any entity that is owned fifty percent (50%) or more, directly or indirectly, by such a person;

“Protocol” means the Protocol to the Convention on Matters Specific to Aircraft Equipment, signed in Cape Town, South Africa on 16 November 2001;

“Purchase Agreement Assignment” means the purchase agreement assignment dated on or about the Scheduled Delivery Date among Seller as assignor, Owner as assignee and (if different than Owner) Lessor, together with the consent and agreement executed by such parties and the Airframe Manufacturer;

“Purchase Date” has the meaning given it in Clause 18.7(a);

“Purchase Option Notice” has the meaning given it in Clause 18.7(a);

“Purchase Option Purchase Price” has the meaning given it in Clause 18.7(c);

“Purchaser” means PAAL Cetus Company Limited, a private company limited by shares organized under the laws of Ireland;

“Quotation Date” means, in relation to any applicable period in respect of which LIBOR is to be determined, the day falling two (2) Business Days before the beginning of such period;

“RAM” means the Mexican Aeronautical Registry (*Registro Aeronáutico Mexicano*) or any other Mexican Government Entity succeeding to its functions;

“Redelivery Acceptance Certificate” means a redelivery acceptance certificate to be executed and delivered by the parties at redelivery of the Aircraft to Lessor substantially in the form appearing at Schedule 14;

“Redelivery Check” means Lessee’s next due C Check inclusive of all out of phase inspections, structural, CPCP, overhaul tasks and lower level multiple maintenance checks (‘A’ checks and lesser checks) and inspections, without sampling, in accordance with the Maintenance Program

and all systems/zonal and structures/corrosion checks and inspections or equivalent maintenance or inspections that fall due within Lessee's next due C Check period in force at that time, all performed by an Approved Maintenance Performer, but in any event not less than [REDACTED];

"Redelivery Conditions" means the condition set forth in Schedule 8 (*Redelivery Conditions*);

"Redelivery Date" means the date on which the Aircraft is redelivered by Lessee to Lessor in accordance with the terms of this Agreement;

"Redelivery Location" means a maintenance or storage facility in Mexico selected by Lessee or such other location as may be agreed by Lessor and Lessee;

"Redelivery Maintenance Payments" means any Structural Check Equivalency Charge, Engine Equivalency Charge, Engine LLP Equivalency Charge, APU Equivalency Charge and Landing Gear Equivalency Charge payable by Lessor to Lessee at redelivery pursuant to Clause 18.1(c) and Part B of the Financial Terms Annex;

"Reference Banks" means the principal London offices of Citibank, N.A., Hong Kong and Shanghai Banking Corporation Limited, and Deutsche Bank AG or such other banks as may be designated by Lessor Guarantor with the consent of Lessee;

"Regulation" means any Law or regulation (including any internal corporate regulation), official directive or recommendation, requirement or contractual undertaking which applies to Lessee or the Aircraft;

"Removed Engine" means any Engine not installed on the Airframe so long as title thereto remains vested in Owner in accordance with the terms of this Agreement;

"Removed Part" means any Part not installed on the Aircraft so long as title thereto remains vested in Owner in accordance with the terms of this Agreement;

"Renewal Lease Term" means, if applicable, any renewal of the Term pursuant to Clause 4.2 (*Renewal Option*) for a period of [REDACTED] months duration beginning on (i) the Scheduled Expiry Date and ending on the Scheduled Renewal Term Expiry Date of the original Renewal Lease Term or (ii) the Scheduled Renewal Term Expiry Date of the original Renewal Lease Term and ending on the new Scheduled Renewal Term Expiry Date of the new Renewal Lease Term, as the case may be, or such earlier date on which the Term terminates in accordance with the provisions of this Agreement;

"Renewal Notice" means a notice substantially in the form of Schedule 10 executed by Lessee;

"Rent" means all amounts payable pursuant to Clause 5 (*Rent*);

"Rent Date" means the sixteenth day of each calendar month during the Term; provided, however, that the first Rent Date shall be the Delivery Date;

"Rent Period" means the periods described in Clause 5.1 (*Rent Periods*);

"Replacement Engine" means in respect of any Engine, an engine that (i) is of the same manufacturer and model (or at Lessee's option an improved model) as that Engine; (ii) [REDACTED]; (iii) is capable of being installed on the Airframe without impairing the value or

utility of the Airframe; (iv) contains [REDACTED]; (v) is delivered with the FAA Form 8130-3 or EASA Form One identifying the serial number of such engine and an incident/accident clearance statement (consistent with IATA standard document or other industry standard form) [REDACTED];

“Replacement Part” means in respect of any Part to be replaced under this Agreement, a component furnishing or part that (i) meets the requirements of the Aviation Authority and carries FAA Form 8130-3 or EASA Form One certification; (ii) is in [REDACTED]; and in respect of which title is capable of passing to Owner free and clear of all Security Interests other than Permitted Liens;

“Sanctions” means any economic or trade sanctions, laws, regulations, embargoes, freezing provisions, prohibitions or restrictive measures relating to trading, doing business, investment, exporting, financing or making assets available (or other activities similar to or connected with any of the foregoing), administered, enacted, enforced or imposed by law or regulation by the United Nations Security Council or any Governmental Entity of the European Union, the United States of America (including but not limited to OFAC), Ireland, Mexico and the State of Registration;

“Sales Taxes” means sales, use, rental, value added, goods and services and similar Taxes;

“Scheduled Delivery Date” means the date that the Manufacturer notifies Lessee as the date that the Manufacturer has scheduled for delivery of the Aircraft under the Aircraft Purchase Agreement;

“Scheduled Expiry Date” means the last day of the Base Lease Term without regard to any early termination or extension thereof pursuant to Clause 4.1 (*Expiry Date*) or Clause 19.2 (*Lessor Rights*) as confirmed in the Acceptance Certificate;

“Scheduled Renewal Term Expiry Date” means in respect of any Renewal Lease Term, the scheduled last day thereof without regard to any early termination or extension thereof pursuant to Clause 4.1 (*Expiry Date*) or Clause 19.2 (*Lessor Rights*) as confirmed in the Renewal Notice for that Renewal Lease Term;

“Security Deposit” means the amount provided in Part A of the Financial Terms Annex;

“Security Interest” means any mortgage, charge, pledge, lien, encumbrance, international interest, assignment, lease, sublease, hypothecation, right of set-off or any other agreement or arrangement having the effect of conferring security or creating an encumbrance;

“Seller” means Mexican Dragon Aircraft Holdings Limited, a private company limited by shares organized under the laws of Ireland;

“State of Incorporation” means Mexico;

“State of Manufacture” means the United States of America;

“State of Registration” means Mexico or any other country in which the Aircraft is from time to time registered in accordance with Clause 9.5 (*Registration and Protection*);

“Structural Check” means a heavy structural, zonal and systems inspection of the Aircraft (and resulting repairs, if any) which includes a C Check and accomplishes all structural tasks recommended in the MPD for performance at nine (9) or fifteen (15) years or as recommended by the then-current MPD and such additional major structural, zonal and systems tasks performed concurrently therewith as may then be due to clear the Aircraft for a maintenance interval equal to the C Check intervals recommended by the MPD;

“Structural Check Equivalency Charge” shall mean the Structural Check Equivalency Charge, if any, payable pursuant to Part B of the Financial Terms Annex (*Redelivery Maintenance Payments*);

“Subsidiary” means, in reference to any Person:

- (a) in relation to any reference to accounts, any company whose accounts are consolidated with the accounts of such Person in accordance with accounting principles generally accepted under accounting standards of such Person’s jurisdiction of organization; and
- (b) for any other purpose, an entity from time to time over which such Person has direct or indirect control and owns directly or indirectly more than 50 per cent of the voting share capital of such entity or of which it has the ability directly or indirectly to appoint or remove more than 50 per cent of the directors with voting rights or officers of such entity or of which it has the ability to give effective directions with respect to and control the management and operational and financial policies and decisions of such entity which the directors or other equivalent officers of such entity are obliged to comply;

“Tax Indemnitee” means Lessor, Owner and each of their respective successors, permitted assigns and permitted transferees;

“Taxes” means all present and future taxes, levies, imposts, duties or charges of any nature whatsoever, and wheresoever imposed, including (without limitation) value added tax or any similar tax and any franchise, transfer, sales, use, business, occupation, excise, personal property, real property, stamp, gross income, personal property, fuel, leasing, occupational, turnover, excess profits, excise, gross receipts, franchise, registration, license, corporation, capital gains, export/import, income, levies, imposts, withholdings or other taxes or duties of any nature whatsoever (or any other amount corresponding to any of the foregoing) now or hereafter imposed, levied, collected, withheld or assessed by any national or regional taxing or fiscal authority or agency, together with any penalties, additions to tax, fines or interest thereon, and Tax and Taxation shall be construed accordingly;

“Term” means the period commencing on the Delivery Date and ending on the Expiry Date and shall include the Base Lease Term and, if applicable, any Renewal Lease Term;

“Total Loss” means with respect to the Aircraft (including for the purposes of this definition the Airframe) or an Engine:

- (a) the actual, constructive, compromised, arranged or agreed total loss of the Airframe or any Engine (including any damage to the Airframe or any Engine or requisition for use or hire which results in an insurance settlement on the basis of a total loss); or
- (b) the Airframe or any Engine being destroyed, damaged beyond economic repair or permanently rendered unfit for normal use for any reason whatsoever; or

- (c) the requisition of title, confiscation, forfeiture or other compulsory acquisition of title for any reason of the Airframe or any Engine by the government of the State of Registration or any other authority (whether de jure or de facto); or
- (d) the hi-jacking, theft, disappearance, seizure (other than any seizure resulting from a breach by Lessor of its covenant of quiet enjoyment set forth in Clause 8.1 or Owner of its covenant set forth in the Owner Quiet Enjoyment Letter) or requisition for use or hire of the Airframe or any Engine which deprives any Person permitted by this Agreement to have possession and/or use of the Aircraft of its possession and/or use for more than sixty (60) consecutive days (or, in the case of requisition for use or hire by the government of the State of Registration, one hundred twenty (120) days) beyond the Scheduled Expiry Date or any then applicable Scheduled Renewal Term Expiry Date;

“Total Loss Date” means with respect to the Aircraft (including for the purposes of this definition, the Airframe) or an Engine:

- (a) in the case of an actual total loss or destruction, damage beyond economic repair of the Aircraft or any Engine, or the Aircraft or an Engine being rendered permanently unfit, the date on which such loss, destruction, damage or rendition occurs (or, if the date of loss or destruction is not known, the date on which the Aircraft or Engine was last heard of);
- (b) in the case of a constructive, compromised, arranged or agreed total loss of the Aircraft or any Engine, whichever shall be the earlier of (i) the date being [REDACTED] days after the date on which notice claiming such total loss is issued to the insurers or brokers, and (ii) the date on which such loss is agreed or compromised by the insurers;
- (c) in the case of requisition for title, confiscation, forfeiture or other compulsory acquisition or similar event of the Aircraft or any Engine by the government of the State of Registration or any other authority, the date on which the same takes effect; or
- (d) in the case of hi-jacking, theft, disappearance, seizure or requisition for use or hire of the Aircraft or any Engine, the earlier of (i) the last day of the period referred to in clause (d) of the definition of Total Loss and (ii) the date on which the insurers make payment on the basis of a Total Loss;

“Total Loss Payment Date” means with respect to a Total Loss the earlier of:

- (a) [REDACTED] days after the Total Loss Date in respect of that Total Loss; and
- (b) [REDACTED] Business Days after the date of receipt of insurance proceeds in respect of that Total Loss;

“UCC” means the Uniform Commercial Code as enacted in the State of New York or, if the laws of another state of the United States so provide, as enacted in such state; and

“VAT” has the meaning given to it in Clause 20.5 (*Value Added Tax*).

2. **Construction and Usage**

- (a) References in this Agreement to:

- (i) any statutory or other legislative provision shall be construed as including any statutory or legislative modification or re-enactment thereof, or any provision enacted in substitution therefor;
 - (ii) “Owner”, “Lessor”, “Lessor Guarantor”, “Lessor Parent” or “Lessee” includes any assignee or successor in title to Owner, Lessor, Lessor Guarantor, Lessor Parent or Lessee respectively (subject to the provisions of Clause 21 (*Assignment and Transfer*));
 - (iii) any deed, agreement or instrument shall include any such deed, agreement or instrument as may from time to time be amended, supplemented or substituted;
 - (iv) an “agreement” also includes a concession, contract, deed, franchise, license, treaty or undertaking (in each case, whether oral or written);
 - (v) the “assets” of any Person shall be construed as a reference to the whole or any part of its business, undertaking, property, assets and revenues (including any right to receive revenues);
 - (vi) “month” is a reference to a period which starts on one day in a calendar month and ends on the day immediately preceding the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in that next month it shall end on the last day of that next month (and references to “months” shall be construed accordingly); and
 - (vii) “includes,” “including”, “include” or similar terms shall not be construed as limiting and shall mean “including, without limitation”.
- (b) Headings are for ease of reference only.
- (c) Where the context so admits, words importing the singular number only shall include the plural and vice versa, and words importing neuter gender shall include the masculine or feminine gender.
- (d) Following the occurrence of an Event of Default, the same shall be continuing if it has not been waived in writing by Lessor or remedied by Lessee.

SCHEDULE 2 REPRESENTATIONS AND WARRANTIES

1. Lessee's Representations and Warranties

Lessee represents and warrants to Lessor, Owner and Lessor Guarantor on the date of execution of this Agreement and at Delivery on the Delivery Date, in each case by reference to the facts and circumstances existing on such date that:

- (a) **Status:** Lessee is a company duly incorporated and validly existing under the laws of the State of Incorporation;
- (b) **Power and Authority:** (i) Lessee has the company power and authority to lease or own its assets and to carry on its business as presently being conducted and to enter into and perform its obligations under this Agreement and each other Operative Document to which Lessee is a party, (ii) Lessee has taken all necessary company action to authorize the entry into, performance and delivery of, this Agreement and each other Operative Document to which Lessee is a party, and (iii) this Agreement and each other Operative Document to which Lessee is a party has been (or on or before the Delivery Date will be) duly executed and delivered by Lessee;
- (c) **Legal validity:** this Agreement and each other Operative Document to which Lessee is a party constitutes (or when executed and delivered will constitute) legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with its terms, except insofar as enforceability may be limited by (i) applicable bankruptcy and/or similar laws affecting creditors' rights generally, or (ii) general principles of equity;
- (d) **Non-conflict:** the entry into and performance by Lessee of, and the transactions contemplated by, this Agreement and each other Operative Document to which Lessee is a party does not and will not: (i) conflict with any Laws or Regulations applicable to Lessee; or (ii) conflict with the organizational documents of Lessee; or (iii) conflict with or result in default under any document which is binding upon Lessee or any of its assets nor result in the creation of any Security Interest over any of its assets (other than as contemplated hereby and thereby);
- (e) **Licenses and permits:** Lessee holds all material licenses, certificates, permits and approvals necessary for the conduct of its business and the performance of its obligations under this Agreement and each other Operative Document to which Lessee is a party;
- (f) **Approvals and Consents:** all Pre-Delivery Authorizations and Filings and all other authorizations, approvals, consents and notifications required by Lessee in connection with the entry into, performance, validity and enforceability of, this Agreement and each other Operative Document to which Lessee is a party and the transactions contemplated by this Agreement and each other Operative Document to which Lessee is a party, have been (or will on or before the Delivery Date have been) obtained or effected (as appropriate) and are (or will on their being obtained or effected be) in full force and effect;
- (g) **Registrations and Filings:** except for the Post-Delivery Authorizations and Filings, no filing or recording of any instrument or document is necessary under the laws of the State of Incorporation or the State of Registration in order to ensure the validity, effectiveness

and enforceability of this Agreement or to establish, perfect or protect the rights and interests of Lessor in the Aircraft and this Agreement against Lessee and all other Persons;

(h) **Sanctions:**

- (i) neither Lessee nor, to Lessee's knowledge, any directors, employees or officers of Lessee or any Affiliates of Lessee:
 - (A) is a Prohibited Person;
 - (B) is owned or controlled by, or acting directly or indirectly on behalf of or for the benefit of, a Prohibited Person;
 - (C) owns or controls a Prohibited Person; or
 - (D) has violated or is in violation of any Sanctions or is or has engaged in any conduct that would provide a basis for it to be designated as a subject of Sanctions;
- (ii) neither Lessee nor, to its knowledge, any Lessee's Affiliate has contracted and/or is otherwise obliged to operate the Aircraft to or from or in an Prohibited Country unless applicable consents, exemptions or licenses have been obtained or apply in respect of such contracts, obligations or operations without the need for further action;
- (iii) the making or receipt of any payments by or on behalf of Lessee pursuant to the Operative Documents or by or on behalf of a Permitted Sublessee pursuant to a Permitted Sublease then in effect does not contravene any Sanctions;
- (iv) neither Lessee nor, to its knowledge, any director, officer, employee or any Lessee's Affiliates, has failed to comply with any Anti-Corruption Laws;
- (v) Lessee has instituted and maintains policies and procedures designed to prevent bribery and corruption by Lessee;
- (vi) Lessee is conducting its operations at all times in material compliance with Anti-Money Laundering Laws and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving Lessee with respect to the Anti-Money Laundering Laws is pending or, to its knowledge, threatened;
- (i) **Financial Statements:** the financial statements delivered to Lessor pursuant to Clause 1.2(i) of Schedule 3 (*Conditions Precedent*) fairly present the financial condition of Lessee as at such date and the results of its operations for the period ended on such date, all in accordance with generally accepted accounting principles in the State of Incorporation applied on a consistent basis;
- (j) **No Litigation:** other than in connection with the Bankruptcy Cases, no litigation, arbitration or administrative proceedings are pending or, to Lessee's knowledge, threatened before any court or administrative agency against Lessee which, could

reasonably be expected to have a material adverse effect upon Lessee's ability to perform its obligations under this Agreement or any other Operative Document;

- (k) **No Default or Event of Default:** no Event of Default nor any condition, event or act that, with the giving of notice or the lapse of time or both, would constitute an Event of Default has occurred and is continuing or will result from the entry into or performance of this Agreement by Lessee;
- (l) **Pari Passu:** the obligations of Lessee under this Agreement or any other Operative Document are direct, general and unconditional obligations and rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations (including contingent obligations) of Lessee, with the exception of such obligations as are mandatorily preferred by Law and not by virtue of any contract;
- (m) **No Immunity:** Lessee is subject to civil commercial law with respect to its obligations under this Agreement and each other Operative Document, neither Lessee nor any of its assets are entitled to any right of immunity and the entry into and performance of this Agreement or any other Operative Document by Lessee constitute private and commercial acts; and
- (n) **No Total Loss:** no Total Loss has occurred in respect of the Aircraft.

2. **Lessor's Representation and Warranties**

Lessor represents and warrants to Lessee on the date of execution of this Agreement (except for subclause (g)) and at Delivery on the Delivery Date in each case by reference to the facts and circumstances existing on such date that:

- (a) **Status:** Lessor is duly organized and validly existing under the laws of Ireland and is a tax resident of Ireland for purposes of Irish law;
- (b) **Power and Authority:** (i) Lessor has the power and authority to carry on its business as presently being conducted and to enter into and perform its obligations under this Agreement, and each of other Operative Document to which it is a party, (ii) Lessor has taken all necessary corporate action to authorize the entry into, the delivery of, and the performance by it of this Agreement and each other Operative Document to which it is a party, and (iii) this Agreement and each other Operative Document to which Lessor is a party has been (or will be on or before the Delivery Date) duly executed and delivered by Lessor;
- (c) **Legal validity:** this Agreement and each other Operative Document to which Lessor is a party constitutes (or when executed and delivered will constitute) its valid, legal and binding obligation enforceable against it in accordance with its terms except insofar as enforceability may be limited by (i) applicable bankruptcy and similar laws afflicting creditors' rights generally or (ii) general principles of equity;
- (d) **Non-conflict:** the entry into and performance by Lessor of, and the transactions contemplated by, this Agreement, each other Operative Document to which it is a party, does not and will not: (i) conflict with any Laws or Regulations applicable to Lessor; or (ii) conflict with the constitutional documents of Lessor; or (iii) conflict with or result in default under any document which is binding upon Lessor or any of Lessor's assets nor

result in the creation of any Security Interest over any of Lessor's assets other than Lessor Liens in favor of the Financing Parties Representative;

- (e) **Approvals and Consents:** no consent, approval, order or authorization of giving of notice to, or registration with, or taking of any other action in respect of any governmental authority or agency required for the execution and delivery of or the carrying out by Lessor of any of the transactions contemplated hereby or by this Agreement or any other Operative Document to which Lessor is a party, other than any such consent, approval, order, authorization registration, notice or action as has been duly obtained, given or taken;
- (f) **No Litigation:** no litigation, arbitration or administration proceedings are pending or to its knowledge threatened before any court or administrative agency against Lessor which could reasonably be expected to have a material adverse effect upon the Lessor's ability to perform its obligations under this Agreement or any other Operative Document; and
- (g) **Title:** Owner has at the time of Delivery such right, title and interest in the Aircraft as was conveyed to it by the Manufacturer under the Bill of Sale, free of all Security Interest arising by, through or under any Lessor Party other than Lessor Liens in favor of the Financing Parties Representative.

3. **Survival**

The representations and warranties pursuant to Clauses 1 and 2 of this Schedule 2 (*Representations and Warranties*) shall survive the execution of this Agreement and Delivery.

SCHEDULE 3 CONDITIONS PRECEDENT

Conditions Precedent to be satisfied by the Lessee

1. Lessor's obligations to deliver and lease the Aircraft to Lessee are subject to the satisfaction of the Conditions Precedent set out in Clause 1 of this Schedule 3 (the "**Lessee Conditions Precedent**"). All documents delivered to Lessor pursuant to Clause 1 of this Schedule 3 will be at Lessee's cost and in English.
- 1.1 **Chattel Paper:** to the extent this Agreement constitutes chattel paper (as such term is defined in the UCC as in effect in any applicable jurisdiction), the "original" counterpart of this Agreement shall be delivered to Lessor promptly upon execution of this Agreement.

Pre-Delivery Conditions Precedent

- 1.2 On or before the Delivery Date, Lessee shall provide the following each in full force as of the Delivery Date and each in form and substance satisfactory to Lessor (acting reasonably):
 - (a) **Corporate Documents:** to the extent not provided pursuant to Part A of Schedule 4 of the Installment Purchase Agreement or amended since the date provided pursuant to Part A of Schedule 4 of the Installment Purchase Agreement, a copy of (i) the constitutional documents of Lessee, (ii) the resolutions of the board of directors of Lessee (A) approving the transactions contemplated by the Operative Documents and (B) authorizing a person or persons to execute and deliver on behalf of Lessee the Operative Documents and any notices or other documents to be given pursuant thereto, in each case to which Lessee is a party, (iii) if applicable, a power of attorney issued by or on behalf of Lessee, authorizing the execution by the attorneys named therein of the Operative Documents to which Lessee is a party, (iv) specimens of the signatures of each person that executes any of the Operative Documents on behalf of Lessee, certified by an officer of Lessee to be true and correct and (v) the most recent audited financial statements of Lessee;
 - (b) **Opinion:** (i) a legal opinion or opinions issued by in-house legal counsel, at Lessee's cost, acceptable to Lessor in the State of Incorporation and the State of Registration substantially in the Agreed Form as to corporate authorizations, absence of conflicts, and enforceability, as well as registration (Mexican and International Registry) matters, (ii) an opinion of Abogados Sierra, S.C., Mexican counsel to Lessor, at Lessor's cost, addressed to Lessor as to Mexican registration and International Registry matters and (iii) a New York law legal opinion of White & Case LLP as counsel to Lessee, at Lessee's cost;
 - (c) **Approvals and Consents:** evidence of the issue of each authorization, approval, consent and notification other than the Post-Delivery Authorizations and Filings which may be required in relation to, or in connection with the performance by Lessee of any of its obligations hereunder or under the other Operative Documents to which it is a party or, if no such approvals are required, a statement to that effect included in the legal opinion described in Clause 1.2(b)(i) of this Schedule;
 - (d) **Licenses:** copies of Lessee's air transport license, air operator's certificates, concession and all other licenses, certificates and permits required by Lessee in relation to, or in connection with, the operation of the Aircraft;

- (e) **Insurance:** a certificate of insurance and, if applicable, reinsurance evidencing the due compliance by Lessee with the insurances required to be maintained pursuant to this Agreement together with a broker's letter of undertaking;
- (f) **Payments:** all sums due to Lessor under this Agreement on or before the Delivery Date including the first payment of Rent and the Security Deposit or a Letter of Credit;
- (g) **Acceptance Certificate:** the Acceptance Certificate, dated and fully completed, and executed by Lessee;
- (h) **International Registry:** evidence in a "priority search certificate" from the International Registry that there are no International Interests, prospective International Interests or other interests registered in the International Registry in relation to the Airframe or any Engine, other than those arising under the transactions contemplated by the Operative Documents or in respect of Lessor Liens or prospective Lessor Liens;
- (i) **UCC:** UCC Form 1 financing statements with respect to this Agreement and the Aircraft in a form acceptable to Lessor duly filed in Washington, D.C.;
- (j) **Deregistration Power of Attorney:** a Deregistration Power of Attorney executed before a Mexican notary public by Lessee in favor of Lessor;
- (k) **Know Your Customer:** all such documentation and information from Lessee and each relevant Lessee Affiliate as requested by Lessor in respect of its "Know Your Customer" checks, anti-money laundering checks and any other similar requirements and all such checks and requirements shall be satisfactory to Lessor in their sole and absolute discretion;
- (l) **Process Agent Letter:** a letter from the process agent appointed by Lessee accepting such appointment;
- (m) **Temporary Sojourn:** if requested by Lessor, written confirmation in the form of a certificate or otherwise from Lessee that it is in compliance with the "temporary sojourn" rules for purposes of flights to Cuba and that Lessee does not operate flights to any Prohibited Country other than Cuba; and
- (n) **Bankruptcy Court Order:** the Bankruptcy Court Order shall be a Final Order.

Delivery Conditions Precedent

- 1.3 On the Delivery Date the following conditions shall be satisfied (and confirmed by a certificate of an authorized signatory of Lessee dated the Delivery Date in the case of clause (a) and (c)):
- (a) **Total Loss and Default:** no Total Loss shall have occurred and no Event of Default shall have occurred and be continuing or might result from the leasing of the Aircraft to Lessee under this Agreement;
 - (b) **No Event of Default:** no Event of Default has occurred and is continuing hereunder or under any Companion Agreement;

- (c) **Representations and Warranties:** Lessee shall repeat the representations and warranties in Clause 1 of Schedule 2 (*Representations and Warranties*); and
- (d) **Aircraft Sale and Delivery:** (i) The Aircraft shall be new “ex-factory” in the condition required under the Installment Purchase Agreement and satisfying the description set forth in Part A of Schedule 6 (*Description of Aircraft*) hereof; (ii) Lessor shall have received the Pre-Delivery Authorizations and Filings and a true and correct copy of the current valid air operator’s certificate and airline operation license, or equivalent, of Lessee, permitting Lessee to operate aircraft of the same type as the Aircraft, issued by the Aviation Authority, and (z) originals (or copies if originals are not practically available) of all Operative Documents duly executed by the parties thereto (other than Lessor, Lessor Guarantor and Owner); (iii) the conditions precedent set forth in Part D of Schedule 4 of the Installment Purchase Agreement shall have been satisfied; (iv) the Manufacturer shall have transferred, either directly or indirectly, good and marketable title to the Aircraft to Owner free and clear of all Security Interests, except this Agreement and any Lessor Liens; (v) Owner shall have received originals of the Manufacturer delivery documents, including the Bill of Sale and buyer furnished equipment listings; and (vi) Lessee shall have been duly registered as a Transacting User Entity with respect to the International Registry and shall have granted their consent to conduct the required registrations of the applicable International Interests.
- (e) **International Registry:** Subject to Section 5(g) below, registrations relating to the Aircraft with the International Registry in accordance with Clause 9.5 (*Registrations and Protections*) shall be conducted by the Professional User Entity appointed by Lessor (the “PUE”). Lessee shall have used best efforts to obtain from the RAM and provide the PUE with the required AEP Codes prior to the Delivery Date if such AEP Codes have been received from the RAM. Lessee shall grant the PUE authorization in respect of each International Interest to be registered with the International Registry for which its authorization is required pursuant to this Agreement. Subject to the AEP Codes being available prior to the Delivery Date, a copy of the priority search certificates of the International Registry in respect of the Airframe and each Engine evidencing such registrations shall be obtained by the PUE.

All opinions, certificates issued by Lessee, letters and instructions described herein as addressed to Lessor shall also be addressed to Owner and Lessor Guarantor, if applicable.

- 2. **Waiver:** Each of the Conditions Precedent set out in Clause 1 of this Schedule 3 is for the sole benefit of the Lessor and may be waived or deferred in whole or in part with or without conditions. If any Condition Precedent set out in Clause 1.1 of this Schedule is not satisfied on the Scheduled Delivery Date, and/or any Condition Precedent set out in Clause 1.2 to this Schedule 3 is not satisfied on the Delivery Date and the Lessor (in its absolute discretion) agrees to deliver the Aircraft to Lessee, Lessee shall ensure that such Conditions Precedent are fulfilled within fifteen (15) days after the Delivery Date and Lessor may treat the failure of Lessee to do so as an Event of Default.
- 3. **Conditions Precedent to be Satisfied by Lessor:** Lessee’s obligations to accept the aircraft from Lessor on lease under this Agreement are subject to the satisfaction of the Conditions Precedent set out in Clause 3 to this Schedule 3 (the “**Lessor Conditions Precedent**”). All documents delivered to Lessee pursuant to Clause 1 of this Schedule 3 will be at Lessor’s cost and in English.

- 3.1 **Pre-Delivery Conditions Precedent.** On or before the Delivery Date, Lessor shall provide the following each in full force as of the Delivery Date and each in form and substance satisfactory to Lessee (acting reasonably):
- (a) **Corporate Documents of Lessor:** to the extent not provided pursuant to Section 3.2(c) of the Installment Purchase Agreement or amended since the date provided pursuant to Section 3.2(c) of the Installment Purchase Agreement, a certified copy of (x) the organizational documents of the Lessor, (y) an abstract of the resolutions of the board of directors of the Lessor or other written evidence of appropriate corporate action authorizing the execution, delivery and performance of this Agreement and each other Operative Document and the leasing of the Aircraft hereunder and appointing a specified Person or Persons to execute this Agreement and each other Operative Document on its behalf and each other Operative Document and (z) a specimen of the signature of each Person authorized to execute the Agreement and each other Operative Document on behalf of the Lessor; and
 - (b) **Corporate Documents of Owner:** if the Owner is not the Lessor and to the extent not provided pursuant to Part B of Schedule 4 of the Installment Purchase Agreement or amended since the date provided pursuant to Part B of Schedule 4 of the Installment Purchase Agreement, a certified copy of (x) the organizational documents of Owner, (y) an abstract of the resolutions of the board of directors of Owner or other written evidence of appropriate corporate action authorizing the execution, delivery and performance of each Operative Document to which Owner is a party and appointing a specified Person or Persons to execute the same on its behalf and (z) a specimen of the signature of each Person authorized to execute each such Operative Document on behalf of the Owner; and
 - (c) **Corporate Documents of Lessor Guarantor:** a certified copy of (x) the organizational documents of Lessor Guarantor, (y) an abstract of the resolutions of the board of directors of Lessor Guarantor or other written evidence of appropriate corporate action authorizing the execution, delivery and performance of the Lessor Guarantee and each other Operative Document to which Lessor Guarantor is a party and appointing a specified Person or Persons to execute the same on its behalf and (z) a specimen of the signature of each Person authorized to execute the Lessor Guarantee and each such Operative Document on behalf of the Lessor Guarantor; and
 - (d) **Opinion:** at no cost to Lessee, opinions issued by (i) counsel to Lessor, (ii) counsel to Lessor Guarantor and (iii), if Owner and Lessor are not the same Person, counsel to Owner, in each case addressed to Lessee and confirming the due execution by such Person, as applicable of this Agreement and each other Operative Document to which such Person is a party, that this Agreement and each other Operative Document to which such Person is a party constitutes its legal valid and binding obligations enforceable against it in accordance with their terms subject to bankruptcy, insolvency and similar laws affecting the rights of creditors generally and general principles of equity and as to such other matters as Lessee may reasonably request;
 - (e) **Approvals and Consents:** evidence of the issue of each authorization, approval, consent and notification other than the Post-Delivery Authorizations and Filings which may be required in relation to, or in connection with the performance by Lessor or Lessor Guarantor of any of its obligations hereunder or under any Operative Document;

- (f) **Financial Statements:** the Lessor Guarantor's or Owner's or Lessor's most recent audited financial statements which shall confirm that Lessor Guarantor or Owner or Lessor has a tangible net worth of at least [REDACTED]; and
- (g) **Process Agent Letter:** a letter from the process agent appointed by Lessor, Owner, and Lessor Guarantor (if any) accepting such appointment.

3.2 **Delivery Conditions Precedent.** On the Delivery Date the following conditions shall be satisfied:

- (a) **Representations and Warranties:** Each of Lessor, Owner and Lessor Guarantor (if any) shall repeat its representations and warranties set forth in each Operative Document to which it is a party.
- (b) **Aircraft Sale and Delivery:** (i) The Aircraft shall be new "ex-factory" in the condition required under the Installment Purchase Agreement (ii) Lessee shall have received originals, the Bill of Sale and this Agreement and originals (or copies if originals are not practically available) of each Operative Document, in each case, duly executed by the parties thereto (other than Lessee); (iii) all conditions precedent to set forth in Part E of Schedule 4 of the Installment Purchase Agreement shall have been satisfied and the Bill of Sale and this Agreement have been notarized before a Mexican notary public and/or notarized and apostilled; (iv) the Manufacturer shall have transferred, either directly or indirectly, good and marketable title to the Aircraft to Owner free and clear of all Security Interests, except this Agreement and any Lessor Liens; and (v) Lessee shall have received a copy of the Manufacturer delivery documents.
- (c) **International Registry:** Lessor shall be registered as a Transacting User Entity as defined in the Cape Town Convention with respect to the International Registry.

4. **Waiver:** Each of the Conditions Precedent set out in Clause 3 of this Schedule 3 is for the sole benefit of the Lessee and may be waived or deferred in whole or in part with or without conditions. If any Condition Precedent set out in Clause 3.1 or 3.2 of this Schedule is not satisfied on the Delivery Date and the Lessee (in its absolute discretion) agrees to accept delivery of the Aircraft from Lessor, Lessor shall ensure that such Conditions Precedent are fulfilled within fifteen (15) days after the Delivery Date.

5. **Post Delivery Matters:** Lessee shall:

- (a) within [REDACTED] Business Days after the Delivery Date, provide to Lessor evidence of the filing of this Agreement and the Bill of Sale for registration at the RAM;
- (b) within [REDACTED] Business Days after the Delivery Date, provide to Lessor a certified translation of the Lease and the Filing Bill of Sale and a copy of the official letter(s) granting definitive registration (*Oficio de Asignación de Matrícula Definitiva*) issued by the AFAC with respect of the Aircraft and approving the recordation of the Filing Bill of Sale and this Agreement with the RAM;
- (c) within [REDACTED] Business Days of the Delivery Date, provide to Lessor a copy of the definitive certificate of airworthiness (*certificado de aeronavegabilidad estándar*) issued by the AFAC in respect of the Aircraft;

- (d) deliver to Lessor (i) not later than [REDACTED] days after the Delivery Date, a copy of the permanent certificate of registration (*Certificado de Matrícula Definitivo*) in the name of Lessee as lessee and also noting the interests of the Lessor as owner, and (ii) within [REDACTED] Business Days following completion of the filings of each of the Operative Documents referred to in Clause 5(a) of this Schedule, provide to Lessor in a form acceptable to them (each acting reasonably) evidence of registration of each such Operative Documents with the AFAC;
- (e) not later than [REDACTED] days after the Delivery Date, deliver to Lessor photographic evidence that fireproof plates described in Clause 9.6(a) of the Agreement have been affixed to the Airframe and each of the Engines;
- (f) not later than [REDACTED] days after the Delivery Date, deliver or procure the delivery to Lessor, a supplemental legal opinion of Lessee's in-house counsel as to the due permanent recordation as required under paragraphs (a), (b) and (c) above; and
- (g) in the event the RAM does not issue the required AEP Codes prior to the Delivery Date, Lessee shall as soon as reasonably practicable and in any event not later than [REDACTED] Business Days after the Delivery Date effect the registrations relating to the Aircraft with the International Registry in accordance with Clause 9.5 (*Registrations and Protections*) and provide to Lessor copies of the AEP Codes issued by the RAM in respect of each International Interest to be registered with the International Registry pursuant to this Agreement and a copy of the priority search certificates of the International Registry in respect of the Airframe and each Engine evidencing such registrations.

SCHEDULE 4
FINANCIAL TERMS ANNEX (CONFIDENTIAL)

(NOT FOR FILING WITH THE AVIATION AUTHORITY)

PART A
BASE LEASE TERM RENT AND CERTAIN DEFINITIONS

1. Rent

The amount of Rent payable on each Rent Date shall be [REDACTED];

“**Basic Rent Amount**” means an amount to calculated pursuant to [REDACTED];

“**Relevant Swap Rate**” means [REDACTED]; and

“**Rent Adjustment Factor**” means the amount specified pursuant to [REDACTED].

The amount of Rent shall be confirmed in the Acceptance Certificate

2. Security Deposit

On or before the Delivery Date, Lessee shall pay to Lessor a cash Security Deposit in the amount of \$[REDACTED] or put in place a Letter of Credit in accordance with Clause 6.4. The amount of the Security Deposit will be adjusted during each Renewal Lease Term pursuant to Clause 4.2.2(c).

3. Damage Notification Threshold

For the purposes of Clause 9.2(b) (*Information – General and Financial*) and Schedule 5 (*Insurance Requirements*) of this Agreement

“**Damage Notification Threshold**” means US\$[REDACTED].

4. Insurance and Default Matters

For the purposes of Clause 15 (*Insurance*) and Schedule 5 (*Insurance Requirements*) of this Agreement:

“**Agreed Value**” means the amount calculated pursuant to [REDACTED], which amount shall be reduced by an amount equal to (1) [REDACTED] of the then current Agreed Value on each anniversary of the Delivery Date to and including the fourth anniversary of the Delivery Date and (2) [REDACTED] of the then current Agreed Value on each anniversary of the Delivery Date from and after the fifth anniversary of the Delivery Date.

“**Minimum Liability Coverage**” means no less than \$[REDACTED], each occurrence, each aircraft [REDACTED];

“Maximum Deductible Amount” means no more than \$[REDACTED].

“Default Rate” means a rate per annum equal to the sum of [REDACTED].

“Discount Rate” means rate equal to the sum of the rate of [REDACTED]

5. AD Cost Sharing

[REDACTED]

6. Approved Appraisers

The appraisers for purposes of Clause 4.2.2(b) of the Agreement are: Ascend FlightGlobal Consultancy, Avitas, Inc., Aircraft Value Analysis Company, Morten Beyer & Agnew and Aviation Specialists Group.

PART B
REDELIVERY MAINTENANCE PAYMENTS

A. Structural Check Equivalency Charge

Lessee shall pay Lessor a Structural Check Equivalency Charge for the next Structural Check that is due under the Maintenance Program calculated pursuant to the following formula:

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

Where:

A is the Structural Check Equivalency Charge for such Structural Check.

W is the labor and materials cost of such Structural Check based on [REDACTED].

B is the total interval of calendar months (or Cycles or Flight Hours, whichever is applicable and most limiting) between such Structural Checks provided in the Manufacturer's then current MPD at redelivery.

C is the actual number of calendar months (or Cycles or Flight Hours, whichever is applicable in B) since the Aircraft's last such Structural Check, (or if there has been no such Structural Check, since new).

B. Landing Gear Equivalency Charge

Lessee shall pay Lessor a Landing Gear Equivalency Charge in respect of that Landing Gear calculated pursuant to the following formula:

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

Where:

A is the Landing Gear Equivalency Charge for that Landing Gear.

W is the cost of accomplishment of a Landing Gear Overhaul in respect of that Landing Gear based on [REDACTED].

B is the total interval of days, Cycles or Flight Hours, whichever is applicable and most limiting, between Landing Gear Overhauls for that Landing Gear as provided in the Manufacturer's then current MPD at redelivery.

C is the actual number of days (or Cycles or Flight Hours, as applicable, accumulated by that Landing Gear) since that Landing Gear's last Landing Gear Overhaul (or if there has been no such Landing Gear Overhaul, since new).

C. Engine LLP Equivalency Charge

Lessee shall pay Lessor an Engine LLP Equivalency Charge in respect of that Engine LLP calculated pursuant to the following formula:

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

Where:

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

W is Engine Manufacturer's published list price for that Engine LLP at the time of redelivery.

B is the then current Cycle life limit for that Engine LLP as referenced in the Engine Manual Chapter 5; [REDACTED].

C is the actual number of Cycles accumulated by that Engine LLP since new at redelivery.

D. Engine Equivalency Charge

- (a) Lessee shall pay an Engine Equivalency Charge in respect of each Engine calculated pursuant to the following formula:

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

Where:

A is the Engine Equivalency Charge for that Engine.

W is the cost of the accomplishment of the next sequential Engine Performance Restoration for that Engine (excluding costs attributable to Engine LLP replacement) which shall be the average of [REDACTED]

B is the industry standard expected Flight Hour mean-time between removals for Engine Performance Restorations of mature engines of the same make and model as the Engine operating in a similar environment and at the same thrust level as the Engine has been operated at since its last Engine Performance Restoration (or since new if no Engine Performance Restoration has been performed).

C is the actual number of Flight Hours accumulated by that Engine since its last Engine Performance Restoration (or if there has been no such Engine Performance Restoration, since new).

- (b) [REDACTED].

E. APU Equivalency Charge

Lessee shall pay Lessor an APU Equivalency Charge calculated pursuant to the following formula:

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

Where:

A is the APU Equivalency Charge.

W is the cost of accomplishment of an APU Medium Repair Shop Visit based on [REDACTED]

B is the by Lessee's average APU Hour interval between APU Medium Repair Shop Visits for auxiliary power units of the same type as the APU over the last three (3) years.

C is the actual number of APU Hours accumulated by the APU since its last APU Medium Repair Shop Visit (or if there has been no such APU Medium Repair Shop Visit, since new).

For each of the above Redelivery Maintenance Payment items, the invoices or quotations provided by Lessee or Lessor shall contain sufficient detail so as to evidence that such invoice or quotation reflects the relevant workscope in a manner to be consistent with the required performance restoration visit or check.

SCHEDULE 5 INSURANCE REQUIREMENTS

Types of Insurance

1. The Insurances required to be maintained are as follows:
 - (a) Hull All Risks of loss or damage while flying and on the ground with respect to the Aircraft on an agreed value basis for the Agreed Value and with a deductible not exceeding the Maximum Deductible Amount each claim, or such other amount agreed by Lessee and Lessor from time to time, it being agreed that any deductible in excess of the Maximum Deductible Amount may be covered by a deductible buy-down;
 - (b) Hull War and Allied Perils, being such risks excluded from the Hull All Risks Policy to the fullest extent available from the leading international insurance markets, including confiscation and requisition by the State of Registration, for the Agreed Value;
 - (c) All Risks (including War and Allied Risk except when on the ground or in transit other than by air) property insurance on all Engines and Parts when not installed on the Aircraft on an "agreed value" basis for their full replacement cost and including engine test and running risks;
 - (d) Aircraft Third Party, Property Damage, Passenger, Baggage, Cargo and Mail and Airline General Third Party (including Products) Legal Liability for a combined single limit (bodily injury/property damage) of an amount not less than the Minimum Liability Coverage for the time being for any one occurrence each aircraft (but in respect of products and personal injury liability, this limit shall be an aggregate limit for any and all losses occurring during the currency of the policy). War and Allied Risks are also to be covered under the policy to the fullest extent available from the leading international insurance markets (which coverage shall include but not be limited to an extended war risk coverage endorsement equivalent to the terms of AVN52E but for a combined single limit of an amount not less than the Minimum Liability Coverage).
 - (e) In the event that Lessee is unable to purchase the insurance required by clauses (a) through (d) above due to a war, terrorist attack or other catastrophic event that affects the global aviation insurance market generally and results in global airlines generally being unable to purchase such insurance in the commercial aviation insurance market, then so long as Lessee grounds the Aircraft (including each Engine) and does not operate the Aircraft (or any Engine) in commercial or any other service for so long as the insurance required by clauses (a) through (d) above cannot be obtained, Lessee shall procure (i) ground hull risk insurance covering the Aircraft for an amount not less than the Agreed Value and (ii) legal liability insurance covering the Aircraft with a minimum liability coverage of not less than \$300,000,000 or such lower amount as may be approved by Lessor, and in each case the terms of such insurance shall be subject to Lessor's prior approval (acting reasonably); provided that as soon as the insurance required by clauses (a) through (d) becomes available to be purchased in the commercial aviation insurance market, Lessee shall replace such ground insurance with insurance meeting the requirements of clauses (a) – (d) above.

Terms of Hull Insurance

2. All required hull insurance, so far as it relates to the Aircraft, will:
- (a) **Additional Assureds:** name the Lessor, Owner, Lessor Guarantor and any Financing Parties Representative for their respective rights and interests;
 - (b) **Settlement of Losses:** name Lessor (or, if Lessor so notifies Lessee, the Financing Parties Representative) as (sole) Loss Payee for the Agreed Value in respect of any Total Loss of the Aircraft or Airframe for an amount equal to the Agreed Value, and **provided that** any such Total Loss will be settled with Lessor (or, if applicable, the Financing Parties Representative) and will be payable in Dollars directly to Lessor (or, if applicable, the Financing Parties Representative) as sole Loss Payee (or, if applicable, the Financing Parties Representative) may direct and further **provided that** where proceeds do not relate to a Total Loss of the Aircraft or the Airframe such proceeds will be applied in accordance with Clause 6(b) of this Schedule 5 and where the loss does not exceed the Damage Notification Threshold and Lessor has not notified the insurers to the contrary due to the continuance of an Event of Default, the loss will be settled with and paid to Lessee;
 - (c) **50/50 Provision:** if separate hull “all risks” and “war risks” insurances are arranged, include a 50/50 provision in accordance with market practice (AVS 103 is the current market language); and
 - (d) **No option to Replace:** confirm that the insurers are not entitled to replace the Aircraft in the event of an insured Total Loss.

Terms of Liability Insurance

3. All required liability insurances will:
- (a) **Additional Insureds:** name the Indemnitees and the Financing Parties Representative (if any) for their respective rights and interests;
 - (b) **Severability:** include a severability of interests clause which provides that the insurance, except for the limit of liability, will operate to give each insured the same protection as if there was a separate policy issued to each insured;
 - (c) **Primary Policy:** contain a provision confirming that the policy is primary without right of contribution, and the liability of the insurers will not be affected by any other insurance of which any Indemnatee or Lessee may have the benefit so as to reduce the amount payable to the additional insureds under such policies.

Terms of All Insurances

4. All Insurances will to the extent not inconsistent with AVN67B (or any subsequent endorsement generally accepted by lessors and lenders in respect of insuring leased and financed aircraft operated by commercial air carriers):
- (a) **Dollars:** provide cover denominated in dollars and any other currencies which Lessor may reasonably require in relation to liability insurance;

- (b) **Worldwide:** operate on a worldwide basis subject to such limitations and exclusions as are customary in insurance coverages carried by major international air carriers operating aircraft of the same type as the Aircraft on routes similar to those operated by Lessee;
- (c) **Acknowledgement:** acknowledge the insurer is aware of this Agreement and that the Aircraft is owned by Lessor and to the extent applicable mortgaged to the Financing Parties Representative (if any);
- (d) **Breach of Warranty:** provide that, in relation to the interests of each of the additional insureds, the Insurances will not be invalidated by any act or omission by Lessee, or any other Person and shall insure the interests of each of the additional insureds regardless of any breach or violation by Lessee, or any other Person of any warranty, declaration or condition, contained in such Insurances;
- (e) **Subrogation:** provide that the insurers will hold harmless and waive any rights of recourse against the additional assureds or to be subrogated to any rights of Lessor, the Financing Parties Representative (if any), or Lessee;
- (f) **Premiums:** provide that the additional insureds will have no obligation or responsibility for the payment of any premiums due (but reserve the right to pay the same should any of them elect so to do) and that the insurers will not exercise any right of set-off or counter-claim in respect of any premium due against the respective interests of the additional insureds other than outstanding premiums relating to the Aircraft, any Engine or Part the subject of the relevant claim;
- (g) **Cancellation/Change:** provide that the Insurances will continue unaltered for the benefit of the additional insureds for at least thirty days after written notice by registered mail or fax of any cancellation, change, event of non-payment of premium or installment thereof has been sent by insurer(s) to Lessor, the Financing Parties Representative (if any), or where an insurance broker is appointed to the insurance broker who shall promptly send on such notice to Lessor and the Financing Parties Representative (if any), except in the case of war risks for which seven days (or such lesser period as is or may be customarily available in respect of war risks or allied perils) will be given, or in the case of war between the five great powers or nuclear peril for which termination is automatic;
- (h) **Reinsurance:** Lessor may require the original insurers maintain 95% for so long as the original Insurances are required to be in force under this Agreement. Such reinsurance shall be placed with reinsurers and through brokers, in each case satisfying the requirements of Clause 15(b)(ii) of the Agreement and such reinsurance will:
 - (i) be on the same terms as the original insurances and will include the provisions of this Schedule;
 - (ii) provide that notwithstanding any bankruptcy, insolvency, liquidation, dissolution or similar proceedings of or affecting the reinsured that the reinsurers' liability will be to make such payments as would have fallen due under the relevant policy of reinsurance if the reinsured had (immediately before such bankruptcy, insolvency, liquidation, dissolution or similar proceedings) discharged its obligations in full under the original insurance policies in respect of which the then relevant policy of reinsurance has been effected; and

- (iii) contain a “cut-through” clause in the following form (or otherwise reasonably satisfactory to Lessor):

“The Reinsurers hereby agree (at the request and with the agreement of the Reinsured) that in the event of any valid claim arising hereunder the Reinsurers shall in lieu of payment to the Reinsured, its successors in interest and assigns pay to the person named as loss payee in accordance with Loss Payable Clause under the original insurances effected by the Insured that portion of any loss due for which the Reinsurers would otherwise be liable to pay the Reinsured (subject to proof of loss), it being understood and agreed that any such payment by the Reinsurers shall fully discharge and release the Reinsurers from any and all further liability with such claim.

The Reinsurers reserve the right to set off against any claim payable hereunder in accordance with this clause any outstanding premiums due on the reinsurance in respect of the Aircraft.

Payment shall be made under this reinsurance notwithstanding any bankruptcy, insolvency, liquidation or dissolution of the Reinsured, and/or that the original Insurer has made no payment under the original insurance policies.

Subject any payment due under this clause shall not contravene any law or decree of the Government of Mexico or any other applicable jurisdiction;”

- (i) **Initiating Claims:** contain a provision entitling Lessor or any insured party to initiate a claim under any policy in the event of the refusal or failure of Lessee to do so; and
- (j) **Indemnities:** accept and insure the indemnity provisions of this Agreement.

Deductibles

5. Lessee shall be responsible for any and all deductibles under the Insurances.

Application of Insurance Proceeds

6. The Insurances will be endorsed to provide for payment of proceeds as follows:
- (a) **Total Loss:** all insurance payments received as the result of a Total Loss occurring during the Term will be paid to or as directed by Lessor and Lessor will pay the balance of those amounts to Lessee after deduction of the Agreed Value and all other amounts which may be or become payable by Lessee to Lessor under this Agreement;
- (b) **Other Loss/Damage:** all insurance proceeds of any property, damage or loss to the Aircraft, any Engine or any Part occurring during the Term not constituting a Total Loss will be applied in payment (or to reimburse Lessee) for repairs or replacement property upon Lessor being satisfied (acting reasonably) that the repairs or replacement have been effected in accordance with this Agreement;

- (c) **Liability Proceeds:** all insurance proceeds in respect of third party liability will be paid directly in satisfaction of the relevant liability or to Lessee in reimbursement of any payment so made; and
- (d) **Default:** notwithstanding the foregoing Clauses (a) and (b) above, if at the time of the payment of any such insurance proceeds under the insurances required under Clause 1(a), (b) or (c) of this Schedule 5 an Event of Default has occurred and is continuing, all such proceeds will be paid to or retained by Lessor to be applied toward payment of any amounts which may be or become payable by Lessee pursuant to this Agreement in such order as Lessor may elect with any remainder after payment of all amounts payable hereunder or thereunder to be paid to Lessee.

To the extent that insurance proceeds are paid to Lessee, Lessee agrees to comply with the foregoing provisions and apply or pay over such proceeds as so required.

**SCHEDULE 6
DESCRIPTION OF AIRCRAFT**

In order for Lessor to be obligated to purchase the Aircraft and lease it to the Lessee and for the Lessee to lease the Aircraft from the Lessor hereunder, the Aircraft shall be new “ex-factory” and substantially comply with the following specifications (which description shall not be deemed a covenant, representation, warranty or guaranty by any Lessor Party to Lessee or by Lessee to any Lessor Party with respect to the Aircraft, all of which are waived and disclaimed as provided in the Agreement), but otherwise “AS-IS, WHERE IS, WITH ALL FAULTS”:

GENERAL DESCRIPTION (MINIMUM REQUIREMENTS)

[Aircraft Type	B737 MAX 8
MTOW	[REDACTED]
MLW	[REDACTED]
MZFW	[REDACTED]
Engines (2)	[REDACTED]
Engine Thrust Rating	[REDACTED]
Configuration	[REDACTED]
Winglets	[REDACTED]
Boeing Sky Interior	[REDACTED]
ETOPS	[REDACTED]
Alternate C.G.	[REDACTED]
Landing Category	[REDACTED]

[Aircraft Type	B737 MAX 9
MTOW	[REDACTED]
MLW	[REDACTED]
MZFW	[REDACTED]
Engines (2)	[REDACTED]
Engine Thrust Rating	[REDACTED]

Configuration	[REDACTED]
Winglets	[REDACTED]
Boeing Sky Interior	[REDACTED]
ETOPS	[REDACTED]
Alternate C.G.	[REDACTED]
Landing Category	[REDACTED]

SCHEDULE 7
AIRCRAFT DOCUMENTS AT REDELIVERY

The following documentation and information is part of the Aircraft, and is the property of Lessor. All documentation shall have the necessary stamps, endorsements, certifications and signatures where appropriate. All documentation requiring a quality control certification shall be signed by Lessee's quality control representative.

Lessee may maintain all Aircraft Documents (or any subset thereof) in electronic format; provided that Lessee shall send to Lessor all documentation requiring necessary stamps, endorsements, certifications and signatures in hard copy format. For the avoidance of doubt, any electronic format that has been approved by the Aviation Authority will be acceptable instead of hard copies.

All records listed in this Part shall be provided notwithstanding any policies of the Aviation Authority that may allow the disposal of such records.

1. Certificates
 - (a) Certificate of Airworthiness;
 - (b) Certificate of Registration;
 - (c) Aircraft De-Registration Confirmation (if applicable);
 - (d) Export Certificate of Airworthiness issued by the last country of registry (if applicable);
 - (e) Noise Limitation Certificate (AFM page) (if applicable);
 - (f) Radio Licence Certificate;
 - (g) Type Certificate Data Sheet (TCDS);
 - (h) Material Flammability Certification;
 - (i) Latest Maintenance Release Certificate;
 - (j) Burn Certificates (Cabin Interiors)
2. Manuals (but only to the extent that the below was supplied by the Manufacturer on or prior to the Delivery Date)
 - (a) Aircraft Flight Manual;
 - (b) Weight and Balance Control and Cargo Loading Manual and Supplements;
 - (c) Operations Manual (Manufacturer's generic);
 - (d) Quick Reference Handbook (Manufacturer's generic);
 - (e) Structural Repair Manual;
 - (f) Aircraft Maintenance Manual;
 - (g) Component Overhaul Manuals, (MM, IPC, SRM) for the following cabin BFE, only if such BFE is not factory installed and included in the Aircraft Documents:
 - (i) Galleys;
 - (ii) Coffee Makers, Ovens, Hot Jugs and other galley equipment;

- (iii) Lavatories;
- (iv) Toilet Assemblies;
- (v) Closets;
- (vi) Class Dividers;
- (vii) Passenger Seats;
- (h) Aircraft Illustrated Parts Catalog (I.P.C.) (operator customized);
- (i) Operator part number to manufacturer part number cross reference, if operator maintains its own part numbering system;
- (j) Aircraft Wiring Diagrams/Wiring Diagram Manual & Wiring Practices Manual;
- (k) Electrical Standard Practice Manual;
- (l) Troubleshooting Manual;
- (m) Engine shop manual;
- (n) APU shop manual;
- (o) Fault Isolation Manual;
- (p) Schematics Manual;
- (q) Summary of Lessee's Maintenance Program;
- (r) List of Certification Maintenance Requirements;
- (s) Master Minimum Equipment List;
- (t) Configuration Deviation List;
- (u) Fault Reporting Manual (if applicable);
- (v) Aircraft Fueling Manual;
- (w) Maintenance Task Cards
- (x) Power Plant Build-up Manual.

3. Airworthiness Directives Documentation

- (a) The Aircraft shall have all records associated with AD compliance:
 - (i) A complete and current applicable AD status list of the Airframe and each appliance, Engine and APU Airworthiness Directive applicable to the Aircraft. This list shall include, but not be limited to:
 - (A) AD number and revision number;
 - (B) AD title;
 - (C) Aircraft serial number, Engine serial number, APU serial number, as applicable;
 - (D) Engineering documentation reference;

- (E) Manufacturer's Service Bulletin reference and cross-references where appropriate;
 - (F) Date of initial accomplishment;
 - (G) Date of last maintenance accomplishment, if repetitive;
 - (H) The means by which compliance was accomplished (either by means of repetitive inspections, modifications or terminating action); and
 - (I) Details of any alternate means of compliance, including references, intervals, and applicability;
- (b) The list shall be typed, certified and signed by an authorized quality control representative of last operator at Delivery or of Lessee at Redelivery, and countersigned by Lessee at Delivery or by Lessor at Redelivery;
 - (c) Legible copies of the dirty fingerprint work card completion documents that accomplish each AD. If the AD is a repetitive inspection, documentation of the last accomplishment is sufficient. The document must reference the AD number and the operator's internal maintenance form used to document accomplishment of the A.D; and
 - (d) Exemptions or deviations granted by the Aviation Authority (or other applicable civil aviation authority with jurisdiction over the Aircraft) on AD compliance, including copy of exemption request.

4. Engineering Documentation

- (a) A current list of Engine and APU Service Bulletins, Engineering Orders, major repairs and Supplemental Type Certificates accomplished on each Engine and the APU. A current list of Airframe Engineering Orders, major repairs and Supplemental Type Certificates accomplished on the Airframe. For appliances, a current list of AD related Service Bulletins, major repairs, Supplemental Type Certificates and Engineering Orders are required;
- (b) Legible copies of the detailed dirty fingerprint work card accomplishment documentation for each Airframe, appliance, Engine and APU Service Bulletin, Engineering Order, major repair and Supplemental Type Certificate accomplished on the Aircraft, each Engine and the APU, to include the following:
 - (i) SB number and revision number;
 - (ii) SB title;
 - (iii) Aircraft serial number, Engine serial number, APU serial number, appliance serial number as applicable;
 - (iv) Engineering documentation reference;
 - (v) Manufacturer's Service Bulletin reference and cross-references where appropriate;
 - (vi) Date of accomplishment of each portion of such engineering document;
 - (vii) Date of last maintenance accomplishment, if repetitive;
 - (viii) Statement of the means by which compliance was accomplished (e.g., modified, repaired, inspected);
- (c) FAA or EASA approvals (DER Form 8110-3, Form 8100-9 or EASA Part 21 approval sheet, if applicable) for modifications or alterations not covered by manufacturer's Service Bulletins (including appliances, if applicable);

- (d) A current copy of all Engineering documentation related to all Aircraft alterations, repairs and configuration changes;
- (e) Data packages covering all designed repairs or alterations that do not have manufacturer approval, including the submittal to the FAA or EASA for an STC or EASA Part 21 approval sheet, if applicable. The data packages shall include the following:
 - (i) engineering orders;
 - (ii) drawings;
 - (iii) parts lists;
 - (iv) installation documentation;
 - (v) all manual supplements (MM, IPC, WD, AFM);
 - (vi) maintenance program supplements;
- (f) Engineering deviations records, if any, applicable to the airframe, Engines and APU, components and piece parts; and
- (g) Digital Flight Data Recorder System technical description

5. Aircraft Maintenance Status Summaries

- (a) Certified current Time in Service (Flight Hours & Cycles);
- (b) Certified maintenance status of the Aircraft, including Aircraft serial number, hours, cycles and days since Major Checks and applicable time remaining to Major Checks;
- (c) Certified status of structural tasks, including SSI (including last accomplished and next due);
- (d) Certified status of CPCP (including last accomplished and next due), where the CPCP is not part of the Manufacturer's SSI program;
- (e) Certified current status for all Life Limited Parts and hard time components for the Airframe, Landing Gears, Engines and APU, including back-to-birth history for all Landing Gear and Engine Life Limited Parts and, to the extent any Engine Life Limited Parts ("Engine LLPs") have been used in higher rated engines, a summary of the Flight Hours and Cycles consumed on each such Engine LLP by use on such higher rated engines(s);
- (f) Certified listing of Aircraft, Landing Gear, Engine and APU hard time components & LLPs status by P/N – S/N – Description Position – TSO - TSN, CSO – CSN, Total time, Total Cycles, next Due Time;
- (g) Certified status of all non-SB and Major Modifications/STC's including acceptable State of Manufacture Certification and/or equivalent FAA or EASA approval;
- (h) List of out of Phase Checks, Service Bulletins requiring continuous surveillance and Special Requirements (if any); and
- (i) Declaration of Aircraft Accident/Incident Report, if applicable; and
- (j) Oil and Fluid statement for Aircraft, Engine and APU.

6. Aircraft Maintenance Records

- (a) Aircraft & Pilot maintenance log from the past 12 months;

- (b) Cabin maintenance log (if maintained separately from the Aircraft maintenance log) from the past 12 months;
- (c) C-Checks- Complete work card packages, tally sheets, material data sheets and maintenance releases for the last complete cycle of C-Checks (or equivalent);
- (d) Complete work card packages, tally sheets, material data sheets and maintenance releases for all Structural Checks;
- (e) Documentation and records concerning the last Aircraft major structural inspection including CPCP Tasks and Structural Sampling Inspection;
- (f) Last Weight & Balance Report including Schedule;
- (g) Compass Swing Report (if applicable);
- (h) Last Test Flight Report (if applicable);
- (i) Cross reference list for MPD task number vs. last operator's Task Card number including date/time/cycles each task was done;
- (j) Last Flight Data Recorder read-out;
- (k) Weighing reports; and
- (l) Flight Control Balance Status – original manufacturer's data and, if applicable, the latest certified maintenance task card.

7. Configuration Status

- (a) FAA or EASA approved and certified LOPA;
- (b) Galley Drawings;
- (c) Emergency, Safety and Loose Equipment Layout/Listing showing description, quantity, manufacturer, part number and location;
- (d) Inventory Listing of Avionics installed units;
- (e) List of applicable STC's;
- (f) Aircraft Inspection Record;
- (g) Buyer Furnished Equipment List (if applicable and including, but not limited to seats, galley, lavatories, entertainment, cargo handling, emergency equipment.); and
- (h) Electrical Load Analysis documents and data but only if supplied by the Manufacturer on or prior to the Delivery Date.

8. Engine Records

- (a) Current Disk Sheet (LLP Sheet) signed and certified;
- (b) Complete historical engine/ module shop visit reports and Engine Module Performance Restoration reports, for all Engine Module Performance Restorations;
- (c) Dirty finger print shop work cards and material data sheets covering the last overhaul and subsequent shop visit of each module;
- (d) On Wing Repair records;

- (e) Master Records of Installation/Removals;
- (f) Last Borescope Report, including video if available;
- (g) Test Cell Run Report (if applicable);
- (h) Certified Statement that Engines are not involved in an accident/incident;
- (i) Certified "On-Watch" statement;
- (j) List of "On-Watch Items" items requiring repetitive inspections;
- (k) List of repetitive inspections that are not required by AD;
- (l) Engine Trend Monitoring data for the last 12 months of operation (if applicable);
- (m) Last engine run and power assurance report;
- (n) All LLPs will have complete Back to Birth Traceability of time consumed (Cycles and/or Flight Hours as applicable) since new;
- (o) Each LLP will have a signed and certified cover page including engine or module total Flight Hours, total Cycles, part total Flight Hours, total Cycles and date for each removal and installation depicting the life of the part since new. Notwithstanding, any LLPs replaced during the term of the lease will have the most recent FAA Form 8130-3 tag or EASA Form One, as applicable, used to install such LLP into the applicable Engine or module;
- (p) Engine manufacturer's or FAA or EASA approved data shall be provided for any discrepancies outside of the Engine Manufacturer's Maintenance Manual shop limits that documents approval for unlimited continued service, without time limitations for removal, repair or replacement, or have any special or distinct inspection requirements. The data shall include:
 - (i) Approval form;
 - (ii) Complete description of the discrepancy;
 - (iii) Supporting analysis and documentation; and
- (q) Engine manufacturer's or FAA or EASA approved data shall be provided for any repairs not in accordance with the Engine Manufacturer's Maintenance Manual that documents approval for unlimited continued service, without time limitations for removal, repair or replacement, or have any special or distinct inspection requirements. The data shall include:
 - (i) Approval form;
 - (ii) Complete description of repair;
 - (iii) Supporting analysis and documentation.

9. APU

- (a) Certified Statement on Status of APU;
- (b) In house modifications (if applicable);
- (c) Approved Release to Service Certification for installed units;
- (d) APU Log Book/ Master Record of Installation/ Removals;
- (e) APU Shop Visit Reports & reason for removal, for all APU shop visits;

- (f) Dirty finger print shop work cards and material data sheets for all APU shop visits;
- (g) Statement of APU hours to Aircraft Flying hours (if applicable);
- (h) APU Borescope Report;
- (i) Last Test Run Report;
- (j) All LLPs will have complete Back to Birth Traceability of time consumed (Cycles and/or Flight Hours as applicable) since new;
- (k) Each LLP will have a signed and certified cover page including engine or module total hours, total Cycles, part total Flight Hours, total Cycles and date for each removal and installation depicting the life of the part since new. Notwithstanding, any LLPs replaced during the term of the lease will have the most recent FAA Form 8130-3 tag or EASA Form One, as applicable, used to install such LLP into the applicable APU;
- (l) APU manufacturer's or FAA or EASA approved data shall be provided for any discrepancies outside of the APU manufacturer's APU shop manual limits that documents approval for unlimited continued service, without time limitations for removal, repair or replacement, or have any special or distinct inspection requirements. The data shall include:
 - (i) Approval form;
 - (ii) Complete description of the discrepancy;
 - (iii) Supporting analysis and documentation;
- (m) APU manufacturer's or FAA or EASA approved data shall be provided for any repairs not in accordance with the APU manufacturer's APU shop manual that documents approval for unlimited continued service, without time limitations for removal, repair or replacement, or have any special or distinct inspection requirements. The data shall include:
 - (i) Approval form;
 - (ii) Complete description of repair;
 - (iii) Supporting analysis and documentation; and
- (n) Current disk sheet (LLP) signed and certified, if applicable.

10. Components

- (a) FAA Form 8130-3 or EASA Form One for Hard Time Components and trace documentation back to last overhaul;
- (b) FAA Form 8130-3 or EASA Form One for on-condition and condition monitored components;
- (c) Quick Engine Change (QEC) rotatable parts list and FAA Form 8130-3 or EASA Form-One for each QEC rotatable part;

11. Landing Gear

- (a) Approved Release to Service Certification for major assemblies on each Gear;
- (b) Dirty fingerprint records for work performed;
- (c) Last shop visit report; and
- (d) LLP status report and back to birth traceability.

12. Damage and Repairs

- (a) Manufacturer's or FAA or EASA approved data shall be provided for any discrepancies outside of Manufacturer's Structural Repair Manual limits or applicable Maintenance Manual limits that documents approval for unlimited continued service, without time limitations for removal, repair or replacement;
- (b) All repairs will be in accordance with the Manufacturer's Maintenance Manual and Manufacturer's Structural Repair Manual, or will have Manufacturer's or FAA or EASA approved data.
- (c) If required by the local Aviation Authority, a repair and dent map shall be provided which includes the following:
 - (i) Description of the location, type and form of the repair; and
 - (ii) List of repairs.
- (d) Copies of applicable Engineering Orders (EOs);
- (e) Copies of applicable Supplemental Type Certificates (STCs);
- (f) Copies of applicable Alternative Means of Compliance (AMOC).

13. Software

- (a) A certified listing of onboard loadable software and databases to include the following:
 - (i) ATA chapter;
 - (ii) nomenclature;
 - (iii) part number;
 - (iv) revision date;
 - (v) expiration date; and
- (b) Procedures for obtaining downloadable software from the internet, if applicable.

SCHEDULE 8 REDELIVERY CONDITIONS

On the Redelivery Date, the Lessee shall return the Aircraft to Lessor at the Redelivery Location in compliance with the conditions specified below (other than post redelivery obligations specified in Clause A below), and when Lessee has complied with such conditions and its other obligations to be performed under this Agreement (other than post redelivery obligations specified in Clause A below), Lessor shall execute and deliver to Lessee the Redelivery Acceptance Certificate confirming delivery of the Aircraft to Lessor. For the avoidance of doubt, there shall be no cycle, condition or time requirements applicable to the Aircraft, any Engine or any Part upon return except to the extent specifically described in this Schedule.

During the period commencing [REDACTED] months and ending no less than [REDACTED] months prior to the proposed redelivery date, Lessee and Lessor will agree to conduct a pre-redelivery meeting for the purpose of reviewing the workscope for the Redelivery Check and, if applicable, any Engine, APU, or Landing Gear shop visit.

In the event that, on the Redelivery Date, the Aircraft contains any Minor Discrepancy, such Minor Discrepancy will, at Lessee's option either [REDACTED]. Any such non-conformity and remedies shall be recorded on the Redelivery Acceptance Certificate.

A. Registration & Certification, Maintenance Program & Airworthiness Directives

At redelivery, the Aircraft shall be registered with the AFAC (i) in the name of Lessor unless such registration cannot be maintained because of the failure of the Lessor to comply with the citizenship or other eligibility requirements for registration of the Aircraft or (ii) in the name of Lessee as operator, which registration shall also note the interests of Lessor as owner. At redelivery, the Aircraft shall be FAA compliant according to Part 129 and will be eligible for an FAA certificate of airworthiness in accordance with Part 121 to the extent it complied at Delivery. Lessee will provide an Export Certificate of Airworthiness following redelivery of the Aircraft to the Lessor hereunder to the extent available from the Aviation Authority at such time; for the avoidance of doubt, Lessor shall be responsible for any costs for the importing country's special requirements. Following Lessee's receipt of the Redelivery Acceptance Certificate executed by Lessor (and notarized by a Mexican notary public and/or notarized and apostilled as required by the AFAC), Lessee shall cooperate fully with Lessor in performance of all action necessary to be performed in connection with deregistration, including obtaining an *Oficio de Cancelación de Matrícula* (De-registration evidence) for the Aircraft and assist Lessor with the issuance of the communication from the AFAC to the FAA evidencing the registry cancellation; however such deregistration evidence and communication shall not be an obligation of Lessee and therefore in no event shall additional rent accrue.

The Aircraft shall be in compliance with the Lessee's Maintenance Program.

Lessee will comply with any ADs and Mandatory Orders which require compliance no later than the last day of the Term, as and to the extent required by such ADs, Mandatory Orders and the Maintenance Program prior to such date. Additionally, Lessee will comply with any ADs and Mandatory Orders which require compliance within [REDACTED] days following the last day of the Term, provided that the cost of performing such ADs or Mandatory Orders requiring compliance after the last day of the Term shall be for the account of Lessor and paid upon execution of the Redelivery Acceptance Certificate. Notwithstanding the foregoing, if having demonstrated its best efforts and planning to comply with any such AD or Mandatory Order due after the last day of the Term, Lessee is unable for reasons outside of its control (including unavailability on a fleet-wide basis of the items, materials, parts or components

necessary to accomplish such AD or Mandatory Order) to complete such compliance prior to the last day of the Term, then provided no other issues exist which would otherwise cause the Term to continue, at Lessor's option, (i) Lessee will complete the AD or Mandatory Order as promptly as possible, in which event, the Term shall continue but Lessee shall not be required to pay Rent for any period beyond the date the Redelivery Date would have occurred but for Lessee's completion of the AD or Mandatory Order, or (ii) Lessor shall accept the Aircraft and Lessee shall have no further obligation related to such AD or Mandatory Order.

B. General Condition

The Aircraft shall be (a) serviceable, (b) in good operating condition and clean to the standards expected of Lessee's aircraft upon completion of a C Check, (c) in the same configuration as at Delivery or as modified in accordance with the terms of the Lease, (d) equipped with the full complement of equipment, parts and accessories and loose equipment as is normally installed in the Aircraft, (e) with two Engines duly installed thereon (which Engines may be Replacement Engines), and (f) with the same Parts, subject only to those replacements, additions and modifications permitted under the Lease or as otherwise agreed by Lessor. The Aircraft shall be in compliance with Lessee's corrosion prevention and control program.

The Aircraft shall be free of fuel, oil, hydraulic and pneumatic leaks outside of AMM limits.

C. Redelivery Check

The Airframe shall have completed, within [REDACTED] days prior to the Redelivery Date, the Redelivery Check, and following such Redelivery Check the Aircraft shall not be used in commercial passenger operations.

D. Parts

Each Part of the Aircraft ([REDACTED]) which has a hard time or life limit pursuant to the MPD shall have at least [REDACTED] as applicable remaining to its next expected overhaul or scheduled removal in accordance with the then current MPD.

E. Landing Gear Minimum

Each of the nose and main Landing Gear shall have no fewer than [REDACTED], (the "**Hard Time Landing Gear Minimum**") remaining until the next scheduled Landing Gear Overhaul.

F. Engine Life Cycle Minimum

No Engine LLP shall have fewer than [REDACTED] remaining to reaching the Manufacturer's then published Chapter 5 life limit (the "**Engine LLP Hard Life Cycle Minimum**"). Notwithstanding the foregoing, Lessee may request of Lessor, and Lessor shall consider in good faith, the allowance of an extended hard life Cycle limit that may be achieved via the incorporation of a service bulletin or other action that may only be incorporated on-wing post-redelivery.

G. Engine Performance Restoration Minimum

Each Engine shall have no fewer than [REDACTED] (the "**Engine Hard Time Performance Restoration Minimum**") remaining until the next anticipated performance restoration visit of such Engine and based on Engine Manufacturer recommendations and EGT margin at redelivery as measured

by analysis of 180 days trend monitoring data. All of the parts of each Engine shall be parts that have been produced by or on behalf of an OEM, or that have been approved for use by the OEM and manufactured by another party. Each Engine will be fully functioning, without waiver, restriction, deferment, exception, carryover or being “on-watch” with a repetitive inspection interval or removal date shorter than the Engine Hard Time Performance Restoration Minimum, whether or not any such “on watch” item is in accordance with the Manufacturer’s maintenance manual limit or any other specifically requested limitation.

H. Auxiliary Power Unit Minimum

The APU shall be in serviceable condition, as evidenced by a borescope inspection and an APU condition test performed in accordance with the AMM [REDACTED]. No APU LLP shall have fewer than [REDACTED] remaining until reaching the Manufacturer’s published life limit (the “**APU Hard Life Cycle Minimum**”).

I. Maintenance Carry-Overs

If the aircraft is scheduled to be redelivered fresh from a C Check, then any deferred, continued, carry-over, time-limited repairs or open log book maintenance items against the Aircraft (each, an “**MCO**”) which can be deferred until the next Structural Check need not be corrected or performed by Lessee except to the extent that the aggregate cost of rectifying all such MCOs exceeds \$[REDACTED], in which case Lessee, [REDACTED] shall correct or perform sufficient MCOs selected by Lessee such that the aggregate cost of rectifying the remaining uncorrected and unperformed MCOs shall be equal to or less than \$[REDACTED]. Lessee and Lessor shall agree, acting reasonably, on the reasonable cost to complete any such MCO items during the next Structural Check. Any MCOs which cannot be deferred until the next Structural Check will be corrected or performed by Lessee at its expense prior to the Redelivery Date.

If the Aircraft is scheduled to be redelivered fresh from a Structural Check, than any deferred, continued, carry-over, time-limited repairs or open log book maintenance items shall be cleared on a terminating action basis.

J. Livery

Prior to the Redelivery Date, the exterior of the fuselage, vertical stabilizer and Engine cowlings shall have been stripped or sanded in accordance with Manufacturer recommendations and painted white.

K. Aircraft Documents

All Aircraft Documents will be made available for Lessor’s review for the period beginning on the date that is [REDACTED] days preceding the last day of the Term and ending on the date that is [REDACTED] Business Days preceding the last day of the Term. Any review of the Aircraft Documents by Lessor shall be completed during this period and during normal business hours and shall not exceed a period of [REDACTED] Business Days. All technical Aircraft Documents shall be in English (except for the cockpit and cabin rectification log book which may be maintained Spanish) in Lessee’s format (which may be microfiche, microfilm or digital and/or electronic format or any other form) and delivered at Lessee’s expense on the Redelivery Date, except to the extent any Aircraft Documents require updating following compliance with the Redelivery Conditions, in which case such Aircraft Documents will be delivered within [REDACTED] days of the Redelivery Date.

At Lessor's request (and cost and expense), if required in order to transfer the Aircraft to the jurisdiction of the next operator of the Aircraft (such operator to be notified by Lessor to Lessee), Lessee shall transfer the records to hard-copy format and the Lessee's head person responsible for airworthiness review shall certify the documents as true and correct; provided that Lessee shall not be obligated to transfer such records if it is unable to do so prior to the scheduled Redelivery Date and to the extent that transferring such records causes a delay in the redelivery of the Aircraft, the Term shall continue but Lessee shall not be required to pay Rent for any period beyond the date the Redelivery Date would have occurred but for Lessee's transferring such records to hard-copy format.

L. Borescope Inspections; Power Assurance Runs

A complete hot and cold section video borescope inspection of each Engine in accordance with the AMM and a power assurance run for each Engine in accordance with the AMM shall be performed at or before the Redelivery Date by Lessee or its representative [REDACTED]. Lessee will correct, [REDACTED] any discrepancies found during such inspections that are determined not to have been in compliance with the limits defined in the Maintenance Program.

M. Demonstration Flight

At Lessor's request, Lessee will perform, at its expense, and in accordance with a mutually agreed acceptance flight procedure, a demonstration flight lasting no more than [REDACTED] hours for the purpose of demonstrating the satisfactory operation of the Aircraft with no more than [REDACTED] representatives of Lessor on board during such flight. Lessee will correct, at its expense, any discrepancies found during such demonstration flight which are determined not to have been in compliance with the Maintenance Program.

N. Liens

The Aircraft shall be free and clear of Security Interests (other than any Lessor Liens).

O. Fuel

Lessee shall have no obligation to provide any fuel or oil with respect to the Aircraft at return, provided that any fuel or oil remaining on board the Aircraft on the Redelivery Date shall be the property of Lessor without charge.

P. Inspection

The Aircraft inspection shall occur during the Redelivery Check. During the Redelivery Check, Lessor and/or its representatives will have an opportunity to observe functional and operational system checks as they are performed, and to perform a visual inspection of the Aircraft only in those areas that are visible during the Redelivery Check and concurrently as the inspection tasks are being performed by Lessee.

Q. Repairs

All repairs to the Aircraft will have been accomplished in accordance with Manufacturer's approved data for the Aircraft and shall be certified to a permanent standard without repetitive inspections, or if no terminating repair is available from Manufacturer's approved data, then the repair is to be performed to the highest possible inspection threshold, flush wherever possible unless otherwise recommended by the Manufacturer.

SCHEDULE 9

**FORM OF
ACCEPTANCE CERTIFICATE**

**ACCEPTANCE CERTIFICATE
(MSN [●])**

AEROVÍAS DE MÉXICO, S.A. DE C.V., (“**Lessee**”) hereby acknowledges that on this _____ day of _____, 20____, [●] (“**Lessor**”) did deliver for inspection and acceptance to Lessee under the Aircraft Lease Agreement made between Lessor and Lessee dated as of _____, 20____ (the “**Lease**”) the Aircraft, as described below, together with all Aircraft Documents applicable thereto, in accordance with the Lease. Capitalized terms used but not defined herein shall have the meanings given such terms in the Lease.

1. Aircraft Details

(a) Airframe

Aircraft Model: Boeing 737-MAX [8][9]

Manufacturer’s Serial Number: [●]

Airframe Maintenance Status:

Total Flight Hours: _____

Total Cycles: _____

(b) Engines (Installed)

Engine Type [REDACTED]

Manufacturer’s Serial _____ **and**
Numbers: _____

Maximum Takeoff Thrust [REDACTED]
Rating:

Engines Maintenance Status:

Position 1

ESN: _____

Total Flight Hours: _____

Total Cycles: _____

Position 2

ESN: _____

Total Flight Hours: _____
Total Cycles: _____

(c) **APU (Installed)**

APU Type _____ [*]

Manufacturer's Serial Number: _____

APU Maintenance Status:

Total APU Hours: _____
Total APU Cycles: _____

(d) **Landing Gear (Installed)**

Manufacturer's	Serial	Left Main: _____
Numbers:		Right Main: _____
		Nose: _____

Landing Gear Maintenance Status:

Left Main

Total Flight Hours: _____
Total Cycles: _____

Right Main

Total Flight Hours: _____
Total Cycles: _____

Nose

Total Flight Hours: _____
Total Cycles: _____

(e) **Interior Configuration**

Seating _____

Lavatories _____

Galleys _____

Passenger Service Units _____

(f) **Aircraft Documents; Aircraft Manuals; Hard Time Components; Avionics; Loose Equipment Inventory**

As identified in Attachment 1 to this Acceptance Certificate.

2. Acceptance for Delivery

(a) Lessee hereby confirms to Lessor on _____, 20__ at _____ A.M./P.M., Pacific [Daylight][Standard] Time at _____, _____ that the above described Aircraft is in accordance with the specifications, terms and conditions for Delivery set forth in the Lease, or is satisfactory in all respects and is in the condition required for Delivery under the Lease.

(b) Lessee confirms that the Aircraft has been inspected by its duly appointed and authorized representatives and the same conforms to the information set forth above and in the Lease.

(c) The Lease is in full force and effect, Lessor has fully, duly and timely performed all of its obligations of every kind and nature thereunder and Lessee has no claims, offsets, deductions, set-offs or defenses of any kind or nature in connection with the Lease.

(d) The execution and delivery of this Acceptance Certificate by Lessee (i) signifies Lessee's absolute and irrevocable acceptance by Lessee of the Aircraft under the Lease, (ii) constitutes conclusive and irrebuttable proof that the Aircraft is delivered in accordance with the description set forth in the Lease and that the Lessee has independently confirmed the same without reliance on any descriptions or representations of Lessor or anyone acting for or on behalf of Lessor, (iii) Lessee hereby expressly waives any right it may have to revoke acceptance of the Aircraft pursuant hereto for any reason, notwithstanding any nonconformity, whether discovered, difficult of discovery, or undiscovered, on the date hereof, and (iv) Lessee hereby unconditionally and irrevocably waives its right to revoke acceptance of Delivery of the Aircraft.

3. Rent; Agreed Value

(a) The Base Rent Amount is \$[____]. The amount of Rent payable by Lessee on each Rent Date during the Base Lease Term is \$_____. The Rent Dates are the Delivery Date, [____] and the sixteenth day of each calendar month thereafter during the Term.

(b) The initial Agreed Value is \$_____.

4. Detail Specification

A description of the Aircraft, including its detail specification, as of this date is set forth in Annex A.

5. Governing Law

THIS ACCEPTANCE CERTIFICATE SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES (OTHER THAN THE PROVISIONS OF SECTION 5-1401.

IN WITNESS WHEREOF, this Acceptance Certificate has been executed and delivered this ____
day of _____, 20__.

AEROVÍAS DE MÉXICO, S.A. DE C.V.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Acknowledged and Agreed:

[_____]

By: _____

Name: _____

Title: _____

ANNEX A

AIRCRAFT DESCRIPTION

SCHEDULE 10
FORM OF RENEWAL NOTICE

[Lessee Letterhead]

To: [●] (“**Lessor**”)
[Address]

Cc: [●] (“**Lessor Guarantor**”)
[Address]

_____, 20__

Re: Renewal Notice in respect of One Boeing 737-MAX [8][9] Aircraft bearing Manufacturer Serial
Number [●] (the “**Aircraft**”)

Ladies and Gentlemen:

Reference is made to that certain Aircraft Lease Agreement dated [●], 2021 (as amended, modified or supplemented from time to time, the “**Lease**”) between lessor and Aerovías de México S.A. de C.V. (“**Lessee**”) in respect of the Aircraft. Capitalized terms not defined herein shall have the meanings provided in the Lease.

In accordance with Clause 4.2.1 of the Lease, Lessee hereby exercises its right to extend the Term of the leasing of the Aircraft under the Lease for a Renewal Lease Term of [_____] [year[s]][months] commencing on [●] and ending [●] which shall be the Scheduled Renewal Term Expiry Date for such Renewal Lease Term.

This notice is a Renewal Notice. It is irrevocable and is an Operative Document.

AEROVÍAS DE MÉXICO, S.A. DE C.V.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Acknowledged and Agreed:

[●]
Lessor

By: _____

Name: _____

Title: _____

SCHEDULE 11

FORM OF LETTER OF CREDIT

[_____] []

Letter of Credit No. _____

Beneficiary: [•], and its successors and assigns

Attention: [•]

Applicant: [•]

Expiry: [•]

Place: _____

Payable: [•] at sight

Dear Sir or Madam:

WE HEREBY ESTABLISH IN YOUR FAVOR, AT THE REQUEST AND FOR THE ACCOUNT OF [•], (THE “**COMPANY**”, OUR IRREVOCABLE TRANSFERABLE STANDBY LETTER OF CREDIT IN THE AMOUNT OF [•]) THOUSAND DOLLAR (THE “**STATED AMOUNT**”) AVAILABLE ON PRESENTATION OF A SIGHT DRAFT DRAWN ON US AT SIGHT IN THE FORM OF THE EXHIBIT A HERETO SIGNED BY THE BENEFICIARY.

DRAWINGS MAY ALSO BE PRESENTED TO US BY FACSIMILE TRANSMISSION TO FACSIMILE NUMBER 336-735-0952 (EACH SUCH DRAWING, A “FAX DRAWING”); PROVIDED, HOWEVER, THAT A FAX DRAWING WILL NOT BE EFFECTIVELY PRESENTED UNTIL YOU CONFIRM BY TELEPHONE OUR RECEIPT OF SUCH FAX DRAWING BY CALLING US AT TELEPHONE NUMBER 1-800-776-3862. IF YOU PRESENT A FAX DRAWING UNDER THIS LETTER OF CREDIT YOU DO NOT NEED TO PRESENT THE ORIGINAL OF ANY DRAWING DOCUMENTS, AND IF WE RECEIVE ANY SUCH ORIGINAL DRAWING DOCUMENTS THEY WILL NOT BE EXAMINED BY US. IN THE EVENT OF A FULL OR FINAL DRAWING THE ORIGINAL STANDBY LETTER OF CREDIT MUST BE RETURNED TO US BY OVERNIGHT COURIER.

MULTIPLE AND PARTIAL DRAWING(S) ARE PERMITTED UNDER THIS LETTER OF CREDIT; PROVIDED, HOWEVER, THAT THE TOTAL AMOUNT OF ANY PAYMENT(S) MADE UNDER THIS LETTER OF CREDIT WILL NOT EXCEED THE TOTAL AMOUNT AVAILABLE UNDER THIS LETTER OF CREDIT.

WE HEREBY AGREE WITH YOU THAT DRAFT(S) DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS CREDIT SHALL BE DULY HONORED IF PRESENTED TOGETHER WITH DOCUMENT(S) AS SPECIFIED ABOVE AT OUR OFFICE LOCATED AT 401 N. RESEARCH PKWY, MAIL CODE D4004-017, WINSTON-SALEM, NC 27101, ATTENTION: STANDBY LETTER OF CREDIT DEPT. ON OR BEFORE THE ABOVE STATED EXPIRY DATE, OR ANY EXTENDED EXPIRY DATE IF APPLICABLE.

THIS LETTER OF CREDIT WILL BE AUTOMATICALLY REDUCED BY ANY PAYMENTS MADE, UNTIL THE STATED AMOUNT IS REDUCED TO ZERO.

THIS LETTER OF CREDIT IS SUBJECT TO AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK AND THE "UNIFORM CUSTOMS AND PRACTICES FOR DOCUMENTARY CREDITS" (2007 REVISION) I.C.C. PUBLICATION NO. 600 AND IN THE EVENT OF ANY CONFLICT THE LAWS OF THE STATE OF NEW YORK WILL CONTROL. NOTWITHSTANDING ARTICLE 36 OF SAID I.C.C. PUBLICATION 600, IF THIS CREDIT EXPIRES DURING AN INTERRUPTION OF BUSINESS AS DESCRIBED IN ARTICLE 36, WE AGREE TO EFFECT PAYMENT IF THE CREDIT IS DRAWN AGAINST WITHIN 30 CALENDAR DAYS AFTER RESUMPTION OF BUSINESS.

THIS LETTER OF CREDIT IS TRANSFERABLE ONE OR MORE TIMES, BUT IN EACH INSTANCE ONLY TO A SINGLE TRANSFEREE AND ONLY IN THE FULL AMOUNT AVAILABLE TO BE DRAWN UNDER THE LETTER OF CREDIT AT THE TIME OF SUCH TRANSFER. ANY SUCH TRANSFER MAY BE EFFECTED ONLY THROUGH WELLS FARGO BANK, N. A. AND ONLY UPON PRESENTATION TO US AT OUR PRESENTATION OFFICE SPECIFIED HEREIN OF A DULY EXECUTED TRANSFER REQUEST IN THE FORM ATTACHED HERETO AS EXHIBIT B, WITH INSTRUCTIONS THEREIN IN BRACKETS COMPLIED WITH, TOGETHER WITH THE ORIGINAL OF THIS LETTER OF CREDIT AND ANY AMENDMENT THERETO AND PAYMENT OF OUR TRANSFER FEE. ALL CHARGES IN CONNECTION WITH ANY TRANSFER OF THIS LETTER OF CREDIT ARE FOR THE BENEFICIARY'S ACCOUNT.

WE ARE SUBJECT TO VARIOUS LAWS, REGULATIONS AND EXECUTIVE AND JUDICIAL ORDERS (INCLUDING ECONOMIC SANCTIONS, EMBARGOES, ANTI-BOYCOTT, ANTI-MONEY LAUNDERING, ANTI-TERRORISM, AND ANTI-DRUG TRAFFICKING LAWS AND REGULATIONS) OF THE U.S. AND OTHER COUNTRIES THAT ARE ENFORCEABLE UNDER APPLICABLE LAW. WE WILL NOT BE LIABLE FOR OUR FAILURE TO MAKE, OR OUR DELAY IN MAKING, PAYMENT UNDER THIS LETTER OF CREDIT OR FOR ANY OTHER ACTION WE TAKE OR DO NOT TAKE, OR ANY DISCLOSURE WE MAKE, UNDER OR IN CONNECTION WITH THIS LETTER OF CREDIT (INCLUDING, WITHOUT LIMITATION, ANY REFUSAL TO TRANSFER THIS LETTER OF CREDIT) THAT IS REQUIRED BY SUCH LAWS, REGULATIONS, OR ORDERS.

THIS IRREVOCABLE LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING. THIS UNDERTAKING IS INDEPENDENT OF AND SHALL NOT IN ANY WAY BE MODIFIED, AMENDED, AMPLIFIED, OR INCORPORATED BY REFERENCE TO ANY DOCUMENT, CONTRACT, OR AGREEMENT REFERENCED HEREIN.

ALL COMMUNICATIONS UNDER THIS LETTER OF CREDIT SHALL BE ADDRESSED TO:

Issuing Bank

Bank Name: [•]

Bank Address: [•]

Contact Name:[•]

Tel: [•]

Fax: [•]

Yours faithfully

[•]

By: _____

Name:

Title:

**Exhibit A to
Letter of Credit No. _____**

SIGHT DRAFT

Irrevocable Letter of Credit No. [•] Date of Draft: [•] 20[•]

To the Order of [•]

Pat [•] Dollars

At SIGHT by wire transfer of such amount to the account of [_____] at [Bank, Address]

(ABA number: [____]; account number: [____])

DRAWN UNDER [ISSUING BANK] LETTER OF CREDIT NO. [•]

To: [ISSUING
[Presentment Address]

BANK]

[Beneficiary]

By: _____

Name:

Title:

[Endorse on bank]]

EXHIBIT B

TRANSFER REQUEST OF WELLS FARGO BANK, N.A. IRREVOCABLE STANDBY

LETTER OF CREDIT NUMBER: _____

TO: WELLS FARGO BANK, N.A.

DATE: _____

U.S. TRADE SERVICES
STANDBY LETTER OF CREDIT
DEPARTMENT
794 DAVIS STREET, 2ND FLOOR, MAC
A0283-023
SAN LEANDRO, CALIFORNIA 94577-
6922

U.S. TRADE SERVICES
STANDBY LETTER OF CREDIT
DEPARTMENT
401 N. RESEARCH PKWY, MAC-D4004-
017
WINSTON-SALEM, NORTH CAROLINA
27101

FOR VALUE RECEIVED, THE UNDERSIGNED BENEFICIARY OF THE ABOVE DESCRIBED
LETTER OF CREDIT (THE "TRANSFEROR") HEREBY IRREVOCABLY TRANSFERS ALL ITS
RIGHTS UNDER THE LETTER OF CREDIT AS AMENDED TO THIS DATE (THE "CREDIT") TO
THE FOLLOWING TRANSFEREE (THE "TRANSFEREE"):

NAME OF TRANSFEREE

ADDRESS

BY THIS TRANSFER, ALL RIGHTS OF TRANSFEROR IN THE LETTER OF CREDIT ARE
TRANSFERRED TO THE TRANSFEREE, AND THE TRANSFEREE SHALL BE THE SOLE
BENEFICIARY OF THE LETTER OF CREDIT, POSSESSING ALL RIGHTS PERTAINING
THERE TO, INCLUDING, BUT NOT LIMITED TO, SOLE RIGHTS RELATING TO THE
APPROVAL OF ANY AMENDMENTS, WHETHER INCREASES OR EXTENSIONS OR OTHER
AMENDMENTS, AND WHETHER NOW EXISTING OR HEREAFTER MADE. YOU ARE
HEREBY IRREVOCABLY INSTRUCTED TO ADVISE FUTURE AMENDMENT(S) OF THE
LETTER OF CREDIT TO THE TRANSFEREE WITHOUT THE TRANSFEROR'S CONSENT OR
NOTICE TO THE TRANSFEROR.

ENCLOSED ARE THE ORIGINAL LETTER OF CREDIT AND THE ORIGINAL(S) OF ALL AMENDMENTS TO DATE. ALSO ENCLOSED IS OUR OFFICIAL OR CERTIFIED CHECK IN THE AMOUNT OF \$_____ IN PAYMENT OF YOUR TRANSFER COMMISSION OF ¼ OF 1% OF THE TRANSFER AMOUNT, MINIMUM \$[REDACTED] MAXIMUM \$[REDACTED]. OR WE AUTHORIZE YOU TO DEBIT OUR ACCOUNT NUMBER _____ WITH YOU FOR THE AMOUNT OF YOUR TRANSFER COMMISSION OF ¼ OF 1% OF THE TRANSFER AMOUNT, MINIMUM \$[REDACTED] MAXIMUM \$[REDACTED].

THE TRANSFEROR WARRANTS TO YOU THAT THIS TRANSFER AND THE TRANSACTION(S) HEREUNDER WILL NOT CONTRAVENE ANY FEDERAL LAWS OR REGULATIONS OF THE UNITED STATES NOR THE LAWS OR REGULATIONS OF ANY STATE THEREOF. PLEASE NOTIFY THE TRANSFEREE OF THIS TRANSFER AND OF THE TERMS AND CONDITIONS OF THE LETTER OF CREDIT AS TRANSFERRED. THIS TRANSFER WILL BECOME EFFECTIVE UPON WELLS FARGO BANK, N.A.'S WRITTEN NOTIFICATION TO THE TRANSFEREE THAT SUCH TRANSFER WAS EFFECTED.

(TRANSFEROR'S NAME)

BY:_____

PRINTED NAME:_____

TITLE:_____

PHONE NUMBER:_____

THE BANK SIGNING BELOW GUARANTEES THAT THE TRANSFEROR'S SIGNATURE IS GENUINE AND THAT THE INDIVIDUAL SIGNING THIS TRANSFER REQUEST HAS THE AUTHORITY TO DO SO:

(BANK'S NAME)

BY:_____

PRINTED NAME:_____

TITLE:_____

[A CORPORATE NOTARY ACKNOWLEDGMENT OR A CERTIFICATE OF AUTHORITY WITH
CORPORATE SEAL IS ACCEPTABLE IN LIEU OF A BANK GUARANTEE]

SCHEDULE 12

FORM OF DEREGISTRATION POWER OF ATTORNEY

DEREGISTRATION POWER OF ATTORNEY

PODER ESPECIAL

SPECIAL POWER OF ATTORNEY

AEROVÍAS DE MÉXICO, S.A. DE C.V., representada en este acto por [], en cumplimiento de lo dispuesto en el contrato de Arrendamiento (el “**Arrendamiento**”) de fecha [] 2021, entre [], como arrendador (el “**Arrendador**”) y **AEROVÍAS DE MÉXICO, S.A. DE C.V.** como arrendataria (la “**Arrendataria**”), respecto a una aeronave marca Boeing modelo 737 Max [8][9] [], con número de serie del fabricante [] (la “**Aeronave**”), otorga en favor del Arrendador así como en favor de los señores Carlos Alberto Sierra Navarro, Viridiana Barquín Ramírez, Julio Sergio Vargas Sandiel, Ángel Misael Arellano García, Vera Gabriela García Corral, Jessi Saba Mussali, Gerardo Reyes Espinosa, Andrés Angulo Belaunzarán, Adriana Hernández Sánchez, y Juan Pablo Fraga Salomón (en lo sucesivo los “**Apoderados**”), un poder especial irrevocable para pleitos y cobranzas y para actos de administración, para ser ejercitado de manera conjunta o separadamente con las facultades especiales que conforme a la ley requieran cláusula especial dentro de la República Mexicana, de conformidad con los términos establecidos en los dos primeros párrafos del artículo 2554 (dos mil quinientos cincuenta y cuatro) del Código Civil para el Distrito Federal de los Estados Unidos Mexicanos y sus artículos concordantes de los diversos Códigos que rigen en los Estados de la República Mexicana, así como en cualquier parte de los Estados Unidos de América, o cualquier otra jurisdicción donde la Aeronave pueda localizarse.

Los Apoderados única y exclusivamente podrán ejercer los poderes otorgados para llevar a cabo cualquiera de las siguientes acciones: (i) solicitar y

AEROVÍAS DE MÉXICO, S.A. DE C.V., herein represented by []¹, in compliance with the Lease Agreement (the “**Lease**”) dated [] 2021, among [], as lessor (the “**Lessor**”), and **AEROVÍAS DE MÉXICO, S.A. DE C.V.**, as lessee (the “**Lessee**”), relating one (1) Boeing aircraft model 737 Max [8][9] [], bearing manufacturer’s serial number [], (the “**Aircraft**”), grants in favour of the Lessor as well as in favour of Carlos Alberto Sierra Navarro, Viridiana Barquín Ramírez, Julio Sergio Vargas Sandiel, Ángel Misael Arellano García, Vera Gabriela García Corral, Jessi Saba Mussali, Gerardo Reyes Espinosa, Andrés Angulo Belaunzarán, Adriana Hernández Sánchez, and Juan Pablo Fraga Salomón (hereinafter the “**Attorneys-in-fact**”), an irrevocable special power of attorney for litigation and collections and for administration acts, to be exercised jointly or separately with the special capacities that by law require a special clause, to be exercised in accordance to the terms established in the first two paragraphs of article 2554 (two thousand five hundred and fifty four) of the Civil Code For the Federal District of the United Mexican States and its concordant articles of the several Codes ruling in the states of the Mexican Republic; as well as within anywhere in the United States of America, or in any other jurisdiction where the Aircraft may be located.

The Attorneys-in-fact may exercise the granted powers solely and exclusively in order to conduct any of the following actions: (i) to

¹ Lessor’s name to be inserted.

obtener la baja del registro y marcas de nacionalidad y matrícula (cancelación de registro) de la Aeronave del registro correspondiente, ya sea en los Estados Unidos Mexicanos o de su equivalente en los Estados Unidos de América; (ii) solicitar a la Dirección General de Aeronáutica Civil de los Estados Unidos Mexicanos o a su equivalente de los Estados Unidos de América, que comuniquen la cancelación de la matrícula a cualquier autoridad nacional o extranjera; (iii) solicitar y obtener la baja de la Aeronave de los permisos de operación de la Arrendataria ante la Dirección General de Aeronáutica Civil, (iv) solicitar y obtener de la misma autoridad la autorización para el vuelo y transporte de la Aeronave fuera del territorio de los Estados Unidos Mexicanos; (v) realizar todos los trámites necesarios y conducentes a la exportación de la Aeronave y a la transportación de la misma fuera del territorio de los Estados Unidos Mexicanos, los Estados Unidos de América o de cualquier otra jurisdicción en que la misma se encuentre o llegue a encontrarse; (vi) notificar la terminación del Arrendamiento al Registro Aeronáutico Mexicano o a cualquier otra autoridad para los fines conducentes, (vii) con el fin de llevar a cabo la cancelación de la matrícula y obtener la baja de la Aeronave de los permisos de operación de la Arrendataria ante la Dirección General de Aeronáutica Civil; suscribir cualquier documento incluyendo sin limitar, la ejecución o ratificación del convenio de terminación del Arrendamiento en la forma que se requiera y (x) llevar a cabo cualquier acto o trámite relacionado con cualquier transacción relacionada con el Arrendamiento o la Aeronave y, respecto de los mismos, interponerse y desistirse de cualquier acción o procedimiento incluido el amparo; para promover acusaciones penales, para actuar como coadyuvante del Ministerio Público, para articular y la liberar posiciones, y conceder el perdón, para liberar los procedimientos iniciados, y suscribir transacciones.

request and obtain the cancellation of the Aircraft registration marks from the corresponding registry whether in the United Mexican States or in its equivalent in the United States of America; (ii) to request to the General Directorate of Civil Aeronautics of the United Mexican States, or to its equivalent in the United States of America to communicate the cancellation of the registration to any national or foreign authority; (iii) to request and obtain the removal of the Aircraft from the Lessee's operating permits before the General Directorate of Civil Aeronautics; (iv) to request and to obtain authorization from the same authority for the ferry flight of the Aircraft and the transportation of the Aircraft out of the territory of the United Mexican States (v) to perform all the necessary and related formalities for the exportation of the Aircraft and the transportation thereof out of the territory of the United Mexican States, the United States of America or from any other jurisdiction where the same may be located or where it may be found; (vi) to notify the termination of the Lease to the Mexican Aeronautic Registry or to any other authority for the corresponding effects; (vii) in order to request and obtain the cancellation of the Aircraft registration marks and to request and obtain the removal of the Aircraft from the Lessee's operating permits before the General Directorate of Civil Aeronautics; execute any documents required for the purposes aforementioned, including without limitation, the execution or ratification of a termination agreement of the Lease, in the required form; (x) to perform all acts or filings in connection with any transaction related to the Lease or the Aircraft and, in respect thereto, to interpose and abandon any action or proceeding including the "*amparo*"; to promote criminal accusations, to act as coadjutor of the office of the Public Prosecutor, to articulate and release positions, and grant pardon, release of initiated proceedings, and celebrate transactions.

Única y exclusivamente para los fines para los que es otorgado el presente poder especial, los Apoderados, de manera enunciativa tendrán todas las facultades necesarias para representar a la Arrendataria ante todas y cualesquiera autoridades

Solely and exclusively for the purposes for which this special power of attorney is granted,

ya sean federales, estatales o municipales de los Estados Unidos Mexicanos y/o de los Estados Unidos de América, incluyendo de manera enunciativa mas no limitativa la Secretaría de Comunicaciones y Transportes, Dirección General de Aeronáutica Civil, el Registro Aeronáutico Mexicano, , la Dirección General de Aduanas de la Secretaría de Hacienda y Crédito Público, la Administración de Aduanas de los Estados Unidos de América, la Administración de Aviación Federal de los Estados Unidos de América y el Departamento de Transporte de los Estados Unidos de América y/o cualesquiera otras entidades, agencias o autoridades que en el futuro asuman las funciones de las anteriormente citadas (indistintamente, las “**Autoridades**”).

Para todos los efectos previstos en este poder, el término Aeronave incluirá: (a) cualesquiera motores instalados en la Aeronave o que en el futuro sustituyan a los anteriormente citados de acuerdo con los términos del Arrendamiento; y (b) cualesquiera partes, equipo, accesorios, componentes, registros y documentación instalados en la Aeronave o que en el futuro puedan ser instalados en sustitución de los mismos conforme al Arrendamiento o bien que sean pertenecientes a la Aeronave.

Este poder se confiere con el carácter de irrevocable en términos del artículo 2596 del Código Civil Federal en virtud de que su otorgamiento ha sido acordado como una condición dentro del Arrendamiento.

Este poder solo podrá ser ejercido en caso de que ocurra y continúe un Caso de Incumplimiento (como se define en el Arrendamiento) o en caso de terminación del Arrendamiento.

Este Poder se otorga para ser ejercitado en los Estados Unidos Mexicanos y/o en los Estados Unidos de América y/o cualquier otra jurisdicción donde la Aeronave pudiese

the Attorneys-in-fact, enunciatively shall have all the necessary capacities to represent the Lessee before all and any federal, state or municipal authorities of the United Mexican States and/or of the United States of America, including, in enunciatively although not limitative form the Secretary of Communications and Transport, the General Directorate of Civil Aeronautics, the Mexican Aeronautic Registry, the General Directorate of Customs of the Ministry of Finance and Public Credit, the Customs Administration of the United States of America, the Federal Aviation Administration of the United States of America and the Department of Transportation of the United States of America and/or any other entities, agencies or authorities that in the future may assume the functions of the aforementioned (indistinctively, the “**Authorities**”).

For all effects contained in this power of attorney, the term Aircraft shall include: (a) any engines installed on the Aircraft or that in the future may substitute above cited in accordance with the terms of the Lease; and (b) any parts, equipment, accessories, components, records and documentation installed on the Aircraft or which in the future may be installed in substitution of the same pursuant to the Lease or that may belong to the Aircraft.

This power of attorney is granted with irrevocable status pursuant to Article 2596 of the Mexican Federal Civil Code, by virtue of the fact that the granting hereof has been agreed as a condition in the Lease.

This power of attorney may be exercised only upon an Event of Default (as defined in the Lease) which is continuing or termination of the Lease.

This power of attorney is granted to be exercised

encontrarse.

in the United Mexican States and/or in the United States of America and/or any other jurisdiction where the Aircraft may be located.

Este poder es otorgado en Inglés, con una traducción al español, la cual deberá ser considera precisa en todas sus partes.

This power is granted in English with a Spanish translation, which shall be considered accurate in all its parts.

Finalmente la Arrendataria conviene además en no otorgar ningún otro poder similar al contenido en el presente instrumento para la realización de los actos previstos en el mismo con respecto a la Aeronave, en favor de persona alguna distinta de los Apoderados mencionados en el presente, salvo que así lo solicite el Arrendador de conformidad con lo establecido en el Arrendamiento.

Lastly, the Lessee further agrees to not grant any other powers of attorney similar to the one contained in this instrument for the performance of the acts foreseen herein with respect to the Aircraft, in favour of any person other than the Attorneys -in-fact mentioned in this document, except that it is authorized by Lessor pursuant to the Lease.

[]

Por:

[]

Nombre:

By:

Título:

Name:

Title:

SCHEDULE 13

PRE-APPROVED SUBLESSEES²

[REDACTED]

² Pre-Approved Sublessees are subject to change pursuant to Clause 10.3(e) of the Lease.

SCHEDULE 14

FORM OF REDELIVERY ACCEPTANCE CERTIFICATE

This Redelivery Acceptance Certificate (this "Certificate") is delivered at the time and on the date set forth below by [●] (the "Lessor") to Aerovías De México, S.A. de C.V. (the "Lessee") pursuant to the Aircraft Lease Agreement dated _____ (as amended, modified or supplemented from time to time, the "Lease") in respect of one (1) Boeing 737 MAX [8][9] aircraft bearing manufacturer's serial number [_____] together with two (2) [REDACTED] engines bearing manufacturer's serial numbers _____ and _____ (the "Aircraft"). The capitalized terms used in this Redelivery Acceptance Certificate shall have the respective meanings given to such terms in the Lease.

Lessor hereby confirms that as at _____ hours on _____ at _____
_____:

- (a) the Aircraft satisfies the redelivery requirements of Schedule 8 of the Lease in all respects;
- (b) redelivery of the Aircraft (including the Engines) has been accepted by the Lessor; and
- (c) the Term of the Lease has terminated.

This Redelivery Acceptance Certificate may be executed and delivered by the parties hereto in separate counterparts.

This Redelivery Acceptance Certificate is executed and delivered by the parties at _____
_____.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Redelivery Acceptance Certificate to be executed in their respective corporate names by their duly authorized representatives as of the day and year first above written.

[●]³

By:_____

Name:_____

Title:_____

AEROVÍAS DE MÉXICO, S.A. DE C.V.

By:_____

Name:_____

Title:_____

³ Signature to be notarized by a Mexican notary public and/or notarized and apostilled.

ANNEX I

PAYMENT AND ADJUSTMENT AMOUNTS DUE AT REDELIVERY⁴

Upon redelivery, the following is due from the Lessor to the Lessee:

- | | | |
|----|--|-------------------|
| 1. | Clause 6.2 of the Lease (return of Security Deposit) | \$ _____ \$ _____ |
|----|--|-------------------|

Upon redelivery, the following is due from the Lessee to the Lessor:

- | | | |
|----|--|----------|
| 1. | Equivalency Charges under Part B of the Financial Terms Annex | \$ _____ |
| 2. | Discrepancy compensation under the third paragraph of Schedule 8 | \$ _____ |
| 3. | Maintenance carry-over compensation under Clause I of Schedule 8 | \$ _____ |

Net Payments from [Lessee to Lessor]	\$ _____
---	-----------------

Payments [to Lessor] should be made to the following Account Details:

Beneficiary Name:
Beneficiary Bank:
Swift Code:
Sort Code:
Account No:
IBAN:

⁴ Revise Annex for applicable payments.

SCHEDULE 15

FORM OF OWNER QUIET ENJOYMENT LETTER

[OWNER]

Re: Quiet Enjoyment Letter in relation to one Boeing 737 Max [8][9] aircraft [] with msn []

Dear Sirs and Madams:

Reference is made to the Aircraft Lease Agreement dated [] 20[] (the “**Headlease**”) between [NAME OF OWNER] (“**Owner**”) and [NAME OF LESSOR] (“**Lessor**”) and the Aircraft Lease Agreement dated [] 20[] (the “**Lease**”) between Lessor and Aerovías de México, S.A. de C.V. (“**Airline**”). Words and expressions defined in the Lease shall have the same meanings when used in this letter (unless the context otherwise requires).

1. Owner hereby covenants to and with Airline that:

(a) provided no Event of Default has occurred and is continuing and provided that the Lease shall not have been otherwise terminated, none of Owner nor any Person lawfully claiming by, through or under it shall take or cause to be taken any action to interfere with Lessee’s or any Permitted Sublessee’s right to use, possession and quiet enjoyment of the Aircraft;

(b) it will undertake and perform the obligations of “Owner” under the Lease (whether as an Indemnatee or otherwise); and

(c) it will not assign, transfer, novate or otherwise dispose of all or any portion of its right, title or interest in and to any Operative Document or the Aircraft other than in accordance with Clause 21.2 of the Lease.

2. Owner represents and warrants to Lessee on the date hereof by reference to the facts and circumstances existing on such date that:

(a) **Status:** Owner is duly organized and validly existing [and in good standing]⁵ under the laws of [] and is a tax resident of [] for purposes of the [];

(b) **Power and Authority:** (i) Owner has the power and authority to carry on its business as presently being conducted and to enter into and perform its obligations under the Operative Document to which it is a party, (ii) Owner has taken all necessary corporate action to authorize the entry into, the delivery of, and the performance by it of each Operative Document to which it is a party, and (iii) each Operative Document to which Owner is a party has been duly executed and delivered by Owner;

(c) **Legal validity:** each Operative Document to which Owner is a party constitutes (or when executed and delivered will constitute) its valid, legal and binding obligation enforceable against it in accordance with its terms except insofar as enforceability may be

⁵ The text “and in good standing” to be deleted if Owner is an Irish entity.

limited by (i) applicable bankruptcy and similar laws afflicting creditors' rights generally or (ii) general principles of equity;

- (d) **Non-conflict:** the entry into and performance by Owner of, and the transactions contemplated by, each Operative Document to which it is a party, does not and will not: (i) conflict with any Laws or Regulations applicable to Owner; or (ii) conflict with the constitutional documents of Owner; or (iii) conflict with or result in default under any document which is binding upon Owner or any of Owner's assets nor result in the creation of any Security Interest over any of Owner's assets other than Lessor Liens in favor of the Financing Parties Representative;
- (e) **Approvals and Consents:** no consent, approval, order or authorization of giving of notice to, or registration with, or taking of any other action in respect of any governmental authority or agency required for the execution and delivery of or the carrying out by Owner of any of the transactions contemplated hereby or by this Agreement or any other Operative Document to which Owner is a party, other than any such consent, approval, order, authorization registration, notice or action as has been duly obtained, given or taken; and
- (f) **No Litigation:** no litigation, arbitration or administration proceedings are pending or to its knowledge threatened before any court or administrative agency against Owner which could reasonably be expected to have a material adverse effect upon the Owner's ability to perform its obligations under any Operative Document.

This letter may be executed in counterparts.

This letter shall in all respects be governed by and construed in accordance with the laws of the State of New York, applicable to contracts made and to be performed entirely within such state without regard to conflict of laws principles (other than the provisions of section 5-1401).

[●]

By: _____
Name: _____
Title: _____

Acknowledged and agreed:

AEROVÍAS DE MÉXICO, S.A. DE C.V.

By: _____
Name: _____
Title: _____

SCHEDULE 16

FORM OF TECHNICAL REPORT

MAINTENANCE STATUS REPORT

AIRCRAFT SUMMARY REPORT

Report Period from _____ to _____

Aircraft Specification	
Manufacturer	
Type	
Model	
Serial number	
Date of Manufacture	
Current Registration	
Current Operator	
Aircraft Operating Limitation	

Airframe Status	
Total Airframe Hours	
Total Airframe Cycles	
Prior Quarter Airframe Hours	
Prior Quarter Airframe Cycles	
Next Due C Check	

Main Engines (Currently Installed)		
Manufacturer		
Position		
Serial number		
Time Since New		
Cycles Since New		
Time Since OH		
Cycles Since OH		
Last OH Date		
Current Operated Engine Thrust Rating		

Main Engines (Delivered with A/C)		
Manufacturer		
Aircraft or Location		
Position		
Serial number		
Time Since New		
Cycles Since New		
Time Since OH		
Cycles Since OH		
Last OH Date		
Current Operated Engine Thrust Rating		

APUs (Delivered with A/C)	
Manufacturer	
Aircraft or Location	
Position	
Part number	
Serial number	
Time Since New	
Cycles Since New	
Time Since OH	
Cycles Since OH	
Last OH Date	

Installed Auxiliary Power Unit (APU)	
Manufacturer	
Position	
Part number	
Serial number	
Flight Time Since New	
Flight Cycles Since New	
Time Since OH	
Cycles Since OH	
Last OH Date	
APU Hours Since New	
APU Cycles Since New	

Landing Gears			
Manufacturer			
Position			
Part number			
Serial number			
Time Since New			
Cycles Since New			
Time Since OH			
Cycles Since OH			
Last OH Date			

Annex 2

Lease Amendment No. 2

LEASE AMENDMENT AGREEMENT NO. 2

THIS LEASE AMENDMENT AGREEMENT NO. 2 (this "**Amendment**") is dated as of _____ 2021 and made among:

- (1) **PAAL ARIES COMPANY LIMITED**, a private company limited by shares incorporated in Ireland with its registered office at 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland (the "**Lessor**");
- (2) **AEROVÍAS DE MÉXICO, S.A. DE C.V.**, a company organised and existing under the laws of the United Mexican States and having its principal office at Paseo de la Reforma, No. 243, Piso 25, Colonia Cuauhtémoc, Alcaldía Cuauhtémoc, Mexico City, 06500, Mexico (the "**Lessee**"); and
- (3) **CLOVER AIRCRAFT LEASING COMPANY LIMITED**, a private company limited by shares and incorporated in Ireland (registered no. 568257) whose registered office is at 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland (the "**Lessor Guarantor**").

WHEREAS:

- (A) The Lessor and the Lessee have previously entered into that certain Aircraft Lease Agreement dated as of 5 March 2018 (as the same may be amended, supplemented or otherwise modified from time to time in accordance with its provisions, the "**Lease**"), pursuant to which Lessor is leasing to Lessee one (1) Boeing 737 MAX 8 aircraft with manufacturer serial number 43705 and Mexican registration mark XA-MAK, together with two [REDACTED] engines bearing manufacturer's serial numbers 602361 and 602385.
- (B) The Lessor Guarantor has guaranteed the Lessor's obligations under the Lease pursuant to that certain Guarantee dated as of 27 November 2019 by the Lessor Guarantor in favour of the Lessee (the "**Guarantee**").
- (C) The Lessor and the Lessee have previously entered into that certain *Stipulation and Order Between Certain Debtors and Counterparties Concerning Certain Equipment* [ECF 411] effective for the Stipulation Period (as defined therein).
- (D) The Lessor and the Lessee have agreed to amend the Lease on the terms set out herein.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Capitalised terms used in this Amendment and not otherwise defined herein shall have the respective meaning given to them in the Lease.

1.2 Interpretation

The provisions of Clause 1 (*Interpretation*) of the Lease are hereby incorporated in this Amendment *mutatis mutandis*.

2. AMENDMENTS

The Lessor and the Lessee agree that, subject to and upon the Bankruptcy Court Order becoming a Final Order, the following amendments are made to the Lease:

2.1 Clause 5 of the Lease is deleted in its entirety and replaced with the following:

“5. RENT

5.1 Fixed Rent Periods

- (a) The Term shall be divided into (i) the PBH Period (as defined below) and (ii) after the PBH Period, successive periods (each a “**Fixed Rent Period**”) in respect of which Fixed Rent shall accrue and be payable.
- (b) The first Fixed Rent Period shall commence on the date immediately following the last day of the PBH Period (the “**Transition Date**”) and each subsequent Fixed Rent Period shall commence on the date immediately following the last day of the previous Fixed Rent Period.
- (c) Each Fixed Rent Period shall be of one month’s duration except that (i) the first Fixed Rent Period shall end on the sixteenth day of the calendar month in which the Transition Date occurs and (ii) with respect to the final Fixed Rent Period, if it would not otherwise end on the Expiry Date, it shall end on the Expiry Date.

5.2 PBH Period

- (a) The PBH Rent shall be paid for the period commencing on the Bankruptcy Court Order becoming a Final Order until the earlier of (i) [REDACTED] and (ii) the last day of the calendar month in which that the Lessee’s fleetwide average utilization for the same aircraft type as the Aircraft reaches a minimum of [REDACTED]% of the monthly utilization for each of the [REDACTED] consecutive months corresponding to the same months from [REDACTED] through [REDACTED], as set forth in Clause 7 of the Financial Terms Annex (the “**PBH Period**”).
- (b) For each calendar month (or part thereof) in the PBH Period during the Term, Lessee will provide a utilization report to Lessor by the [REDACTED] day of the immediately succeeding calendar month and make a payment of the PBH Rent by the later of (x) the [REDACTED] day of such calendar month and (y) [REDACTED] Business Days after receiving Lessor’s invoice in respect of the PBH Rent (each such later date, a “**PBH Rent Date**”).

5.3 Rent Date

During the PBH Period, Lessee shall pay the PBH Rent to Lessor in arrears on each PBH Rent Date. During each Fixed Rent Period, Lessee shall pay Fixed Rent to Lessor in advance on the last day of each Fixed Rent Period (each, a “**Fixed Rent Date**”). Lessee shall initiate payment adequately in advance of each Fixed Rent Date to ensure that Lessor receives the payment for value on each Fixed Rent Date.

5.4 Rent

- (a) Fixed Rent payable from the Transition Date in respect of each Fixed Rent Period is set forth in Clause 1 of Part A of the Financial Terms Annex.
 - (b) PBH Rent payable in respect of the PBH Period shall be calculated as set forth in Clause 1 of Part A of the Financial Terms Annex.
 - (c) If any Fixed Rent Period has a duration of less than a month, the Fixed Rent payable for that Fixed Rent Period shall be prorated by multiplying the amount of the Fixed Rent for that Fixed Rent Period by a fraction the numerator of which is the number of days in that Fixed Rent Period and the denominator of which is 30.”
- 2.2 Clause 19.1(h) of the Lease is amended by adding the words, “Other than in respect of the Bankruptcy Cases,” to the beginning of the clause prior to the word “Lessee”.
- 2.3 Clause 19.1(i) of the Lease is amended by adding the words, “Other than in respect of the Bankruptcy Cases,” to the beginning of the clause, immediately before sub-clause (i).
- 2.4 Clause 19.1(j) of the Lease is amended by adding the words, “, other than in respect of the Bankruptcy Cases,” at the very end of the clause prior to the semicolon.
- 2.5 Clause 19.1 of the Lease is amended by adding a new Clause 19.1(r) as follows:
“**Bankruptcy Cases:** any one of the following occurs, in each case without prior written consent of the Lessor:
- (i) Lessee files a Chapter 11 plan that contemplates the liquidation of all or substantially all of Lessee's assets; or
 - (ii) the Bankruptcy Cases are converted to cases under Chapter 7 of the Bankruptcy Code, or Lessee files or acquiesces in any motion or other pleading seeking such conversion; or
 - (iii) a trustee or examiner is appointed in the Bankruptcy Cases, or Lessee files or acquiesces in any motion or other pleading seeking such appointment; or
 - (iv) Lessee files any motion or other pleading seeking to reverse, stay, modify or vacate the approval of the Second Amendment, this Lease, any Companion Agreement or any amendment in respect of any Companion Agreement and the transactions contemplated hereby or thereby or any other relief that is inconsistent with the terms of the Second Amendment, this Lease, any Companion Agreement or any amendment in respect of any Companion Agreement.”
- 2.6 Clause 19 of the Lease is amended by adding the following at the end of such clause:
- “Notwithstanding the foregoing provisions of this Clause 19.1 (*Events of Default*), no Event of Default for purposes of this Clause 19.1 of this Agreement and no Companion Agreement Event of Default referenced in Clause 19.1(f) of this Agreement shall arise solely as a result of the commencement or continuance of the Bankruptcy Cases or the financial conditions giving rise to the Bankruptcy Cases.”

- 2.7 The notice details for the Lessee as stated in Clause 23.2 of the Lease shall be deleted and replaced as follows:

Aerovías de México, S.A. de C.V.
Paseo de la Reforma, No. 243, Piso 25
Colonia Cuauhtémoc
Alcaldía Cuauhtémoc
Mexico City, 06500
Mexico
Attention: Legal Department and Fleet Department
Facsimile: 52-55-9132-5079
Email: malvarez@aeromexico.com
amnotificacionesjuridico@aeromexico.com

- 2.8 Clause 1.1 of Schedule 1 (*Definitions and Construction*) to the Lease is amended by adding the following defined terms in alphabetical order:

“**AFAC**” means the *Agencia Federal de Aviación Civil* of the *Secretaría de Comunicaciones y Transportes de México* and each other Mexican governmental airworthiness authority having authority with respect to the Aircraft that is comparable to the authority of the FAA and any successor thereto;

“**Bankruptcy Cases**” means the Chapter 11 cases commenced by Lessee and its affiliates on June 30, 2020 and pending in the Bankruptcy Court under the lead case no. 20-11563 and all affiliated and associated filings and proceedings in any other court or jurisdiction relating to such cases;

“**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §101 *et seq.*;

“**Bankruptcy Court**” means the United States Bankruptcy Court for the Southern District of New York;

“**Bankruptcy Court Order**” means an order entered by the Bankruptcy Court substantially in the form attached to the Installment Purchase Agreement Amendment as Exhibit 1 (*Bankruptcy Court Order*) or otherwise in form and substance acceptable to the parties hereto;

“**Final Order**” means an order or judgment, the operation or effect of which has not been reversed, stayed, modified, or amended, and as to which order or judgment (or any reversal, stay, modification, or amendment thereof) (a) the time to appeal, seek certiorari, or request reargument or further review or rehearing has expired and no appeal, petition for certiorari, or request for reargument or further review or rehearing has been timely filed, or (b) any appeal that has been or may be taken or any petition for certiorari or request for reargument or further review or rehearing that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed, from which certiorari was sought, or to which the request was made, and no further appeal or petition for certiorari or request for reargument or further review or rehearing has been or can be granted; provided, however, with respect to either of the foregoing, no order or judgment shall fail to be a final order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be filed with respect to such order or judgment;

“**Fixed Rent**” has the meaning given to it in Clause 1 of Part A of the Financial Terms Annex

“**Fixed Rent Date**” has the meaning given to it in Clause 5.3 (*Rent Date*);

“**Fixed Rent Period**” has the meaning given to it in Clause 5.1 (*Fixed Rent Periods*);

“**Installment Purchase Agreement Amendment**” means the Installment Purchase Agreement Amendment dated as of _____, 2021 among Seller, Lessee, Purchaser and Lessor Guarantor;

“**PBH Period**” has the meaning given to it in Clause 5.2 (*PBH Period*);

“**PBH Rent**” has the meaning given to it in Clause 1 of Part A of the Financial Terms Annex;

“**PBH Rent Date**” has the meaning given to it in Clause 5.2 (*PBH Period*);

“**Second Amendment**” means the Lease Amendment Agreement No. 2 dated _____, 2021 among Lessor, Lessee and Lessor Guarantor;

“**Transition Date**” has the meaning given to it in Clause 5.1(b).

- 2.9 The following definitions in Clause 1.1 of Schedule 1 (*Definitions and Construction*) to the Lease shall be deleted in their entirety and replaced with the following:

“**Base Lease Term**” means the period beginning on and including the Delivery Date and ending on the Scheduled Expiry Date, or such earlier date on which the Term terminates in accordance with the provisions of this Agreement;

“**Companion Aircraft**” means the Boeing 737 MAX 8 and the Boeing 737 MAX 9 aircraft bearing manufacturer's serial numbers 43705, 43710, 43708, 43727, 43719, 43717, 43718, 43720, 43721 or 43761, other than the Aircraft, or, if the Airframe Manufacturer has revised any such serial number, bearing such revised manufacturer's serial number as the Airframe Manufacturer notifies to Lessee;

“**Delivery Date**” means [REDACTED];

“**Installment Purchase Agreement**” means that certain Installment Purchase Agreement dated as of October 27, 2017 among Seller, Lessee and Purchaser, with respect to the Aircraft and the Companion Aircraft, as amended by the Installment Purchase Agreement Amendment;

“**Rent**” means the PBH Rent and the Fixed Rent, as applicable;

“**Rent Date**” means each PBH Rent Date and Fixed Rent Date, as applicable;

“**Rent Period**” means (i) each calendar month or part thereof during the PBH Period and/or (ii) each Fixed Rent Period, as applicable;

“**Scheduled Expiry Date**” means [REDACTED];

“**Structural Check**” means a heavy structural, zonal and systems inspection of the Aircraft (and resulting repairs, if any) which includes a C Check and accomplishes all structural tasks recommended in the MPD for performance at nine (9) or fifteen (15) years or as recommended by the then-current MPD and such additional major structural, zonal and systems tasks performed concurrently therewith as may then be due to clear the Aircraft for a maintenance interval equal to the C Check intervals recommended by the MPD.

- 2.10 The definition of “DGAC” in Clause 1.1 of Schedule 1 (*Definitions and Construction*) to the Lease shall be deleted in its entirety and all references to “DGAC” in the Lease shall instead be construed as references to “AFAC”.

- 2.11 The definition of "Operative Documents" in the Lease shall be amended to include a reference to this Amendment.
- 2.12 Any reference in the Lease and/or in the Operative Documents thereto to any of the terms listed above shall be construed and interpreted as a reference to the newly defined terms above.
- 2.13 Clause 1 of Part A of the Financial Terms Annex is deleted in its entirety and replaced with the following:

“1. Rent

PBH Rent

During the PBH Period, PBH Rent for a calendar month will be calculated in accordance with the following formula:

[REDACTED]

Fixed Rent

For each Fixed Rent Period during the Base Lease Term, the amount of \$[REDACTED] shall be payable in advance on each Fixed Rent Date during the Base Lease Term (the “**Fixed Rent**”).”

- 2.14 Clause 6 of Part A of the Financial Terms Annex is deleted in its entirety and replaced with the following:

“6. Approved Appraisers

The appraisers for purposes of Clause 4.2.2(b) of the Agreement are: [REDACTED].”

- 2.15 A new Clause 7 shall be added to Part A of the Financial Terms Annex as follows:

7. Lessee Historical Utilization for Boeing 737 MAX 8 aircraft

[REDACTED]

- 2.16 Lessor and Lessee acknowledge that prior to the date hereof the Lessor applied the Security Deposit toward the discharge of Lessee’s obligations under the Lease. Notwithstanding anything in the Lease to the contrary, Lessor shall have no obligation to return the Security Deposit to Lessee at the termination of the Lease and Lessee shall have no obligation to restore the Security Deposit in accordance with Clause 6.3(c) of the Lease from the date the Bankruptcy Court Order becomes a Final Order.

3. **REPRESENTATIONS AND WARRANTIES**

3.1 **Lessee’s Representations and Warranties**

Lessee represents and warrants to Lessor and Lessor Guarantor on the date of execution of this Amendment and upon the date the Bankruptcy Court Order becomes a Final Order that:

- (a) **Status:** Lessee is a company duly incorporated and validly existing under the laws of the State of Incorporation;
- (b) **Power and Authority:** subject to the approval by the Bankruptcy Court of the transactions contemplated by this Amendment, (i) Lessee has the company power and authority to lease or own its assets and to carry on its business as presently being conducted and to enter into and perform its obligations under this Amendment, (ii) Lessee has taken all necessary company action to authorize the entry into, performance and delivery of, this Amendment, and (iii) this Amendment has been duly executed and delivered by Lessee;
- (c) **Legal validity:** subject to the approval by the Bankruptcy Court of the transactions contemplated by this Amendment, this Amendment constitutes (or when executed and delivered will constitute) legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with its terms, except insofar as enforceability may be limited by (i) applicable bankruptcy and/or similar laws affecting creditors' rights generally, or (ii) general principles of equity;
- (d) **Non-conflict:** the entry into and performance by Lessee of, and the transactions contemplated by, this Amendment, does not and will not: (i) conflict with any Laws or Regulations applicable to Lessee; or (ii) conflict with the organizational documents of Lessee; or (iii) conflict with or result in default under any document which is binding upon Lessee or any of its assets nor result in the creation of any Security Interest over any of its assets (other than as contemplated hereby and thereby);
- (e) **Licenses and permits:** Lessee holds all material licenses, certificates, permits and approvals necessary for the conduct of its business and the performance of its obligations under this Amendment;
- (f) **Approvals and Consents:** all authorizations, approvals, consents and notifications required by Lessee in connection with the entry into, performance, validity and enforceability of, this Amendment and the transactions contemplated by this Amendment, have been (or will be on the date the Bankruptcy Court Order becomes a Final Order) obtained or effected (as appropriate) and are (or will on their being obtained or effected be) in full force and effect;
- (g) **Registrations and Filings:** except for the filings contemplated by Section 5 (*Lessee Undertakings*) of this Amendment, no filing or recording of any instrument or document is necessary under the laws of the State of Incorporation or the State of Registration in order to ensure the validity, effectiveness and enforceability of this Amendment or to establish, perfect or protect the rights and interests of Lessor in the Aircraft and this Amendment against Lessee and all other Persons;
- (h) **Sanctions:**
 - (i) neither Lessee nor, to Lessee's knowledge, any directors, employees or officers of Lessee or any Affiliates of Lessee:

- (A) is a Prohibited Person;
 - (B) is owned or controlled by, or acting directly or indirectly on behalf of or for the benefit of, a Prohibited Person;
 - (C) owns or controls a Prohibited Person; or
 - (D) has violated or is in violation of any Sanctions or is or has engaged in any conduct that would provide a basis for it to be designated as a subject of Sanctions;
- (ii) neither Lessee nor, to its knowledge, any Lessee's Affiliate has contracted and/or is otherwise obliged to operate the Aircraft to or from or in an Prohibited Country unless applicable consents, exemptions or licenses have been obtained or apply in respect of such contracts, obligations or operations without the need for further action;
 - (iii) the making or receipt of any payments by or on behalf of Lessee pursuant to the Operative Documents or by or on behalf of a Permitted Sublessee pursuant to a Permitted Sublease then in effect does not contravene any Sanctions;
 - (iv) neither Lessee nor, to its knowledge, any director, officer, employee or any Lessee's Affiliates, has failed to comply with any Anti-Corruption Laws;
 - (v) Lessee has instituted and maintains policies and procedures designed to prevent bribery and corruption by Lessee;
 - (vi) Lessee is conducting its operations at all times in material compliance with Anti-Money Laundering Laws and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving Lessee with respect to the Anti-Money Laundering Laws is pending or, to its knowledge, threatened;
- (i) **No Litigation:** other than in connection with the Bankruptcy Cases, no litigation, arbitration or administrative proceedings are pending or, to Lessee's knowledge, threatened before any court or administrative agency against Lessee which, could reasonably be expected to have a material adverse effect upon Lessee's ability to perform its obligations under this Amendment;
 - (j) **No Default or Event of Default:** no Event of Default (as defined in the Lease as amended by this Amendment) nor any condition, event or act that, with the giving of notice or the lapse of time or both, would constitute an Event of Default (as defined in the Lease as amended by this Amendment) has occurred and is continuing or will result from the entry into or performance of this Amendment by Lessee; and
 - (k) **No Total Loss:** no Total Loss has occurred in respect of the Aircraft.

3.2 Lessor's Representations and Warranties

Lessor represents and warrants to Lessee on the date of execution of this Amendment and upon the date the Bankruptcy Court Order becomes a Final Order that:

- (a) **Status:** Lessor is duly organized and validly existing under the laws of Ireland and is a tax resident of Ireland for purposes of Irish law;
- (b) **Power and Authority:** (i) Lessor has the power and authority to carry on its business as presently being conducted and to enter into and perform its obligations under this Amendment, (ii) Lessor has taken all necessary corporate action to authorize the entry into, the delivery of, and the performance by it of this Amendment, and (iii) this Amendment has been duly executed and delivered by Lessor;
- (c) **Legal validity:** this Amendment constitutes (or when executed and delivered will constitute) its valid, legal and binding obligation enforceable against it in accordance with its terms except insofar as enforceability may be limited by (i) applicable bankruptcy and similar laws afflicting creditors' rights generally or (ii) general principles of equity;
- (d) **Non-conflict:** the entry into and performance by Lessor of, and the transactions contemplated by, this Amendment, does not and will not: (i) conflict with any Laws or Regulations applicable to Lessor; or (ii) conflict with the constitutional documents of Lessor; or (iii) conflict with or result in default under any document which is binding upon Lessor or any of Lessor's assets nor result in the creation of any Security Interest over any of Lessor's assets other than Lessor Liens in favor of the Financing Parties Representative;
- (e) **Approvals and Consents:** no consent, approval, order or authorization of giving of notice to, or registration with, or taking of any other action in respect of any governmental authority or agency required for the execution and delivery of or the carrying out by Lessor of any of the transactions contemplated hereby or by this Amendment, other than any such consent, approval, order, authorization registration, notice or action as has been duly obtained, given or taken; and
- (f) **No Litigation:** no litigation, arbitration or administration proceedings are pending or to its knowledge threatened before any court or administrative agency against Lessor which could reasonably be expected to have a material adverse effect upon the Lessor's ability to perform its obligations under this Amendment.

3.3 Lessor Guarantor's Representations and Warranties

Lessor Guarantor represents and warrants to Lessee on the date of execution of this Amendment and upon the date the Bankruptcy Court Order becomes a Final Order that:

- (a) **Status:** Lessor Guarantor is a private company limited by shares and incorporated under the laws of Ireland, with the power and authority to own its

properties and to conduct its business as such properties are presently owned and such business is presently conducted;

- (b) **Power and Authority:** (i) Lessor Guarantor has the power and authority to carry on its business as presently being conducted and to enter into and perform its obligations under this Amendment, (ii) Lessor Guarantor has taken all necessary corporate action to authorize the entry into, the delivery of, and the performance by it of this Amendment, and (iii) this Amendment has been duly executed and delivered by Lessor Guarantor; and
- (c) **Legal validity:** this Amendment constitutes (or when executed and delivered will constitute) its valid, legal and binding obligation enforceable against it in accordance with its terms except insofar as enforceability may be limited by (i) applicable bankruptcy and similar laws afflicting creditors' rights generally or (ii) general principles of equity.

4. **CONDITIONS PRECEDENT**

This Amendment shall become effective on the date to which each of the conditions precedent to be satisfied by the parties specified in Schedule 1 (*Conditions Precedent*) to this Amendment have been satisfied.

5. **LESSEE UNDERTAKINGS**

Promptly after the Bankruptcy Court Order becomes a Final Order, the Lessee undertakes to complete the following:

- (a) register this Amendment as required by Clause 9.5 (*Registration and Protection*) of the Lease with the RAM;
- (b) provide to the Lessor an electronic copy of a certified Spanish translation of this Amendment; and
- (c) register the International Interests constituted by this Amendment as required by Clause 9.5 (*Registration and Protection*) of the Lease and provide copies of the AEP Codes issued by the RAM in respect of each International Interest to be registered with the International Registry pursuant to this Amendment and a copy of the priority search certificates of the International Registry in respect of the Airframe and each Engine evidencing such registrations.

6. **GUARANTEE CONFIRMATION**

The Lessor Guarantor hereby unconditionally and irrevocably consents to the Lessor entering into this Amendment and ratifies and confirms the Guarantee, and unconditionally and irrevocably confirms that:

- (a) the Guarantee is and continues to be in full force and effect in accordance with its terms (as supplemented hereby); and
- (b) its obligations under the Guarantee shall extend to the Lessor's obligations under this Amendment and under the Lease as amended and supplemented hereby, and all monies, liabilities and obligations (whether actual or contingent,

whether now existing or hereafter arising, whether or not for the payment of money, and including any obligation or liability to pay damages and any interest), which are now or which may at any time and from time to time hereafter be due, owing, payable or incurred or be expressed to be due, owing, payable or incurred from or by Lessor under this Amendment and/or under the Lease as amended and supplemented hereby.

7. MISCELLANEOUS

7.1 Confirmation of Lease

The Lease shall continue to be in full force and effect in accordance with its terms save as expressly amended by this Amendment.

7.2 Counterparts

This Amendment may be executed in two or more counterparts each of which will be deemed an original but all of which together will constitute one and the same agreement.

7.3 Governing Law

- (a) Pursuant to and in accordance with section 5-1401 of the New York General Obligations Law, the parties hereto agree that this Amendment and any claim, controversy or dispute arising under or related to this Amendment, and all issues concerning the relationship of the parties hereunder and the enforcement of the rights and duties of the parties hereunder shall be governed by, and construed in accordance with, the law of the State of New York as applied to contracts to be performed wholly within the State of New York (exclusive of section 7-101 of the New York general obligations law which is inapplicable to this Amendment) without regard to any conflicts of law principles. The parties agree that this Amendment was delivered in the State of New York.
- (b) The foregoing election of the laws of the State of New York is without prejudice to the right of the Lessor to apply the laws of Mexico City or any other relevant jurisdiction to any repossession or other enforcement of rights under the Lease while the aircraft is located or registered in Mexico or such other jurisdiction.

7.4 Jurisdiction

Pursuant to and in accordance with Section 5-1402 of the New York General Obligations Law, the Lessee, the Lessor and the Lessor Guarantor each irrevocably agrees that (i) the United States District Court for the Southern District of New York sitting in The Borough of Manhattan and any New York state court sitting in the County of New York, New York, and all related appellate courts, and (ii) the courts of the jurisdictions in which the Aircraft at the relevant time is located, including, without limitation, the courts of the City of Mexico, in the case of enforcement proceedings in respect of remedies hereunder, have non-exclusive jurisdiction to settle any disputes arising out of or relating to this Amendment or any of the other Operative Documents and submits itself and its property to the jurisdiction of the foregoing courts with respect to such dispute.

7.5 Waiver of objections

Each of the Lessee, the Lessor and the Lessor Guarantor:

- (a) waives to the fullest extent permitted by Law any objection which it may now or hereafter have to the courts referred to in Clause 7.4 (*Jurisdiction*) above on grounds of inconvenient forum or otherwise as regards proceedings in connection with this Amendment;
- (b) waives to the fullest extent permitted by Law any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Amendment brought in the courts referred to in Clause 7.4 (*Jurisdiction*); and
- (c) to the extent permitted by applicable Law, agrees that a judgment or order of any court referred to in Clause 7.4 (*Jurisdiction*) in connection with this Amendment is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction as if made by the highest court in that other jurisdiction and accordingly the Lessee will not seek to, nor be entitled to, contest and/or delay and/or obstruct registration or enforcement of any such judgment and/or award and/or order on grounds of public policy or otherwise.

7.6 Waiver of sovereign immunity and other defences

Each of the Lessee, the Lessor and the Lessor Guarantor irrevocably and unconditionally:

- (a) agrees that the transactions contemplated hereby are commercial in nature and that if the other brings legal proceedings against it or its assets in relation to this Amendment no sovereign or other immunity from such legal proceedings (which will be deemed to include suit, court jurisdiction, attachment prior to judgment, attachment in aid of execution of a judgment, other attachment, the obtaining of judgment, execution of a judgment or other enforcement or legal process or remedy) will be claimed by or on behalf of itself or with respect to its assets;
- (b) waives any such right of immunity which it or its assets now has or may in the future acquire and agrees that the foregoing waiver shall have the fullest extent permitted under the Foreign Sovereign Immunities Act of 1976 of the United States of America and is intended to be irrevocable for the purposes of such Act; and
- (c) waives any requirement, of any kind whatsoever, for the Lessor to provide any form of security in respect of the payment of any damages, costs, expenses or any other financial obligation resulting from the commencement or prosecution of proceedings or the making of or service of any order; and the Lessee undertakes (a) not to challenge the validity of any proceedings or the making of any orders without any requirement for the provision of such security, (b) to advise any court upon the Lessor's request that the Lessee requires no such security, and (c) to provide security itself for any third party claims arising out of or in connection with such proceedings and/or orders.

7.7 Waiver of jury trial

Each of the Lessee, the Lessor and the Lessor Guarantor hereby irrevocably and unconditionally waives any and all rights to a jury trial in respect of any claim or cause of action based upon or arising out of this Amendment or any dealings between them relating to the subject matter of the transactions contemplated hereby or the Lessor/Lessee relationship being established, including contract claims, tort claims, breach of duty claims and other common law and statutory claims. Each of the Lessor, the Lessor Guarantor and the Lessee represents and warrants that each has reviewed and voluntarily waives its jury trial rights following consultation with its legal counsel. This waiver is irrevocable, and this waiver shall apply to any subsequent amendments, renewals, supplements or modifications to this amendment. In the event of litigation, this clause may be filed as a written consent to a trial by the court.

7.8 Costs and Expenses

Each party will bear its own costs and expenses in connection with the preparation, negotiation and execution of this Amendment.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed and delivered by their respective officers as of the day and year first written above.

PAAL ARIES COMPANY LIMITED
as Lessor

By:

Name:

Title:

AEROVÍAS DE MÉXICO, S.A. DE C.V.
as Lessee

By:

Name:

Title:

By:

Name:

Title:

CLOVER AIRCRAFT LEASING COMPANY LIMITED
as Lessor Guarantor

By:

Name:

Title:

SCHEDULE 1 CONDITIONS PRECEDENT

Conditions Precedent to be satisfied by Lessee

On or before the Bankruptcy Court Order becoming a Final Order, Lessee shall provide the following each in full force as of the Bankruptcy Court Order becoming a Final Order and each in form and substance satisfactory to Lessor (acting reasonably):

- (a) **Corporate Documents:** a copy of (i) the constitutional documents of Lessee, (ii) an abstract of the resolutions (which may be standing resolutions) of the board of directors of Lessee (A) approving the transactions contemplated by this Amendment and (B) authorizing a person or persons to execute and deliver on behalf of Lessee this Amendment and any notices or other documents to be given pursuant thereto, in each case to which Lessee is a party, (iii) if applicable, a power of attorney issued by or on behalf of Lessee, authorizing the execution by the attorneys named therein of this Amendment, and (iv) specimens of the signatures of each person authorized to execute this Amendment on behalf of Lessee;
- (b) **Officer's Certificate:** a certificate of an officer, director, secretary or alternate secretary of the board of directors of Lessee certifying that as of the Bankruptcy Court Order becoming a Final Order: (i) the documents provided in (a) above are true and complete copies of such items and have not be modified or amended and are in full force and effect and (ii) all of the representations and warranties of Lessee under this Amendment are true and correct;
- (c) **Bankruptcy Court Order:** the Bankruptcy Court Order shall be a Final Order;
- (d) **Opinion:** a legal opinion issued by Lessee's in-house legal counsel substantially in the Agreed Form;
- (e) **International Registry:** subject to (f) below, registrations relating to the Aircraft with the International Registry in accordance with Clause 9.5 (*Registrations and Protections*) of the Lease shall be conducted by the Professional User Entity appointed by Lessor (the "PUE"). Lessee shall have used best efforts to obtain from the RAM and provide the PUE with the required AEP Codes prior to the Bankruptcy Court Order becoming a Final Order if such AEP Codes have been received from the RAM. Lessee shall grant the PUE authorization in respect of each International Interest to be registered with the International Registry for which its authorization is required pursuant to this Amendment. Subject to the AEP Codes being available prior to the Bankruptcy Court Order becoming a Final Order, a copy of the priority search certificates of the International Registry in respect of the Airframe and each Engine evidencing such registrations shall be obtained by the PUE; and
- (f) **AEP Codes:** in the event the RAM does not issue the required AEP Codes prior to the Bankruptcy Court Order becoming a Final Order, Lessee shall as soon as reasonably practicable effect the registrations relating to the Aircraft with the International Registry in accordance with Clause 9.5 (*Registrations and Protections*) of the Lease and provide to Lessor copies of the AEP Codes issued by the RAM in respect of each International Interest to be registered with the International Registry pursuant to this Amendment and a copy of the priority search certificates of the International Registry in respect of the Airframe and each Engine evidencing such registrations.

Conditions Precedent to be satisfied by Lessor

On or before the Bankruptcy Court Order becoming a Final Order, Lessor shall provide the following each in full force as of the Bankruptcy Court Order becoming a Final Order and each in form and substance satisfactory to Lessee (acting reasonably):

- (a) **Corporate Documents:** a copy of (i) the organizational documents of the Lessor, (ii) an abstract of the resolutions of the board of directors of the Lessor or other written evidence of appropriate corporate action authorizing the execution, delivery and performance of this Amendment and appointing a specified Person or Persons to execute this Amendment on its behalf and (iii) a specimen of the signature of each Person authorized to execute this Amendment on behalf of the Lessor;
- (b) **Officer's Certificate:** a certificate of an officer or director of Lessor certifying that as of the Bankruptcy Court Order becoming a Final Order: (i) the documents provided in (a) above are true and complete copies of such items and have not be modified or amended and are in full force and effect and (ii) all of the representations and warranties of Lessor under this Amendment are true and correct; and
- (c) **International Registry:** Lessor shall (i) be registered as a Transacting User Entity as defined in the Cape Town Convention with respect to the International Registry and (ii) shall have appointed a Professional User Entity (the "PUE") and granted the PUE authorization in respect of each International Interest to be registered with the International Registry for which its authorization is required pursuant to this Amendment.

Conditions Precedent to be satisfied by Lessor Guarantor

On or before the Bankruptcy Court Order becoming a Final Order, Lessor Guarantor shall provide the following each in full force as of the Bankruptcy Court Order becoming a Final Order and each in form and substance satisfactory to Lessee (acting reasonably):

- (a) **Corporate Documents:** a copy of (i) the organizational documents of the Lessor Guarantor, (ii) an abstract of the resolutions of the board of directors of the Lessor Guarantor or other written evidence of appropriate corporate action authorizing the execution, delivery and performance of this Amendment and appointing a specified Person or Persons to execute this Amendment on its behalf and (iii) a specimen of the signature of each Person authorized to execute this Amendment on behalf of the Lessor Guarantor; and
- (b) **Officer's Certificate:** a certificate of an officer or director of Lessor Guarantor certifying that as of the Bankruptcy Court Order becoming a Final Order: (i) the documents provided in (a) above are true and complete copies of such items and have not be modified or amended and are in full force and effect and (ii) all of the representations and warranties of Lessor Guarantor under this Amendment are true and correct.

Annex 3

IPA Amendment

Dated as of _____, 2021

MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED
as Seller

AEROVÍAS DE MÉXICO, S.A. DE C.V.
as Seller Guarantor

PAAL CETUS COMPANY LIMITED
as Purchaser

and

CLOVER AIRCRAFT LEASING COMPANY LIMITED
as Purchaser Guarantor

INSTALLMENT PURCHASE AGREEMENT AMENDMENT

TABLE OF CONTENTS

	Page
Article I INTERPRETATION	1
Article II REPRESENTATIONS AND WARRANTIES	6
Article III EFFECTIVENESS; CONDITIONS PRECEDENT	10
Article IV AGREEMENTS AND CONFIRMATIONS	10
Article V SPECIFIC IPA AMENDMENTS	13
Article VI MISCELLANEOUS	18
Article VII GOVERNING LAW AND JURISDICTION	20
Article VIII LIMITATION ON RECOURSE AND NON-PETITION	20
Appendix 1 Form of Effective Date Confirmation	A1-1
Appendix 2 Conditions Precedent	A2-1
Appendix 3 Installment Payments and Advance Payments for Undelivered Aircraft	A3-1
Appendix 4 Previous Rent Terms	A4-1
Appendix 5 Aircraft Description	A5-1
Appendix 6 Purchase Price and Scheduled Delivery Months	A6-1
Exhibit 1 Bankruptcy Court Order	E-1

This INSTALLMENT PURCHASE AGREEMENT AMENDMENT, dated as of _____, 2021 (as amended, supplemented and modified from time to time, this “**Amendment**”), is made between:

- (1) MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED, a private company limited by shares incorporated in Ireland (“**Seller**”);
- (2) AEROVÍAS DE MÉXICO, S.A. DE C.V., a limited liability company (*sociedad anónima de capital variable*) organized and existing under the laws of Mexico (“**Seller Guarantor**”);
- (3) PAAL CETUS COMPANY LIMITED, a private company limited by shares incorporated in Ireland (“**Purchaser**”); and
- (4) CLOVER AIRCRAFT LEASING COMPANY LIMITED (formerly known as Ping An Aircraft Leasing Company Limited), a private company limited by shares incorporated in Ireland (“**Purchaser Guarantor**”).

The parties to this Amendment hereby agree as follows:

ARTICLE I

INTERPRETATION

Section 1.1 **Definitions.** Capitalized terms and expressions used and not otherwise defined herein shall have the meanings given to them in the IPA.

For purposes of this Amendment, the following terms shall have the meanings indicated below:

“**Agency Agreement Amendment**” means the Agency Agreement Amendment dated on or about the date hereof and executed or to be executed, as applicable, by Seller, Seller Guarantor and Manufacturer.

“**Aircraft MSN [REDACTED]**” means the Boeing model 737[REDACTED] aircraft bearing manufacturer’s serial number [REDACTED].

“**Aircraft MSN [REDACTED] Lease Amendment**[REDACTED]” means the Lease Amendment Agreement No. 2 dated on or about the date hereof and executed or to be executed, as applicable, by the relevant Lessor as lessor, Seller Guarantor as lessee and Purchaser Guarantor as lessor guarantor in respect of Aircraft MSN [REDACTED].

“**Aircraft MSN [REDACTED]**” means the Boeing model 737[REDACTED] aircraft bearing manufacturer’s serial number [REDACTED].

“**Aircraft MSN [REDACTED] Lease Amendment**” means the Lease Amendment Agreement No. 2 dated on or about the date hereof and executed or to be executed, as applicable,

by the relevant Lessor as lessor, Seller Guarantor as lessee and Purchaser Guarantor as lessor guarantor in respect of Aircraft [REDACTED].

“Aircraft MSN [REDACTED]” means the Boeing model 737-[REDACTED] aircraft bearing manufacturer’s serial number [REDACTED].

“Aircraft MSN [REDACTED] Lease Amendment” means the Lease Amendment Agreement No. 2 dated on or about the date hereof and executed or to be executed, as applicable, by the relevant Lessor as lessor, Seller Guarantor as lessee and Purchaser Guarantor as lessor guarantor in respect of Aircraft MSN [REDACTED].

“Aircraft MSN [REDACTED]” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“Aircraft MSN [REDACTED]” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“Aircraft MSN [REDACTED] Lease” means the Aircraft Lease Agreement dated on or about the date hereof and executed or to be executed, as applicable, by New Lessor as lessor and Seller Guarantor as lessee in respect of Aircraft MSN [REDACTED].

“Aircraft MSN [REDACTED]” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“Aircraft MSN [REDACTED] Lease” means the Aircraft Lease Agreement dated on or about the date hereof and executed or to be executed, as applicable, by New Lessor as lessor and Seller Guarantor as lessee in respect of Aircraft MSN [REDACTED].

“Aircraft MSN [REDACTED]” means the Boeing model 737[REDACTED] aircraft bearing manufacturer’s serial number [REDACTED].

“Aircraft MSN [REDACTED] Lease” means the Aircraft Lease Agreement dated on or about the date hereof and executed or to be executed, as applicable, by New Lessor as lessor and Seller Guarantor as lessee in respect of Aircraft MSN [REDACTED].

“Aircraft MSN [REDACTED]” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“Aircraft MSN [REDACTED] Lease” means the Aircraft Lease Agreement dated on or about the date hereof and executed or to be executed, as applicable, by New Lessor as lessor and Seller Guarantor as lessee in respect of Aircraft MSN [REDACTED].

“Aircraft MSN [REDACTED]” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“Aircraft MSN [REDACTED] Lease” means the Aircraft Lease Agreement dated on or about the date hereof and executed or to be executed, as applicable, by New Lessor as lessor and Seller Guarantor as lessee in respect of Aircraft MSN [REDACTED].

“**Aircraft MSN [REDACTED]**” means the Boeing model 737[REDACTED] aircraft bearing manufacturer’s serial number [REDACTED].

“**Aircraft MSN [REDACTED]**” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“**Aircraft MSN [REDACTED] Lease**” means the Aircraft Lease Agreement dated on or about the date hereof and executed or to be executed, as applicable, by New Lessor as lessor and Seller Guarantor as lessee in respect of Aircraft MSN [REDACTED].

“**Aircraft MSN [REDACTED]**” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“**Aircraft MSN [REDACTED] Lease**” means the Aircraft Lease Agreement dated on or about the date hereof and executed or to be executed, as applicable, by New Lessor as lessor and Seller Guarantor as lessee in respect of Aircraft MSN [REDACTED].

“**Amendment Documents**” means this Amendment, the Effective Date Confirmation, the APA Amendment, the New Purchase Agreement Assignment, the Reassignment Agreement, the Agency Agreement Amendment, the Consent Amendment, the Keep Well Agreement, the Deed of Confirmation, the Lease Amendment Agreements, the New Leases and the New Lease Guarantees.

“**APA Amendment**” means the Assigned Purchase Agreement Amendment dated on or about the date hereof and executed or to be executed, as applicable, by the Manufacturer, Seller and Seller Guarantor, in form and substance acceptable to Purchaser.

“**Assigned Purchase Agreement**” means the Purchase Agreement as assigned absolutely in respect of the Aircraft by Seller Guarantor to Seller pursuant to the AMX PAA (and as further assigned and pledged as security to Purchaser pursuant to the Security Agreement), and as further described on schedule 1 of the Manufacturer Consent; it being understood and agreed that the Aeromexico Purchase Price (as defined in the Manufacturer Consent) is not assigned to Purchaser pursuant to the Security Agreement.

“**Bankruptcy Cases**” means the Chapter 11 cases filed by Guarantor and certain affiliates on June 30, 2020 under the lead case no. 20-11563 with the Bankruptcy Court.

“**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §101 *et seq.*

“**Bankruptcy Court**” means the United States Bankruptcy Court for the Southern District of New York.

“**Bankruptcy Court Order**” means an order entered by the Bankruptcy Court substantially in the form attached hereto as Exhibit 1 (*Bankruptcy Court Order*) or otherwise in form and substance acceptable to the parties hereto.

“**Consent Amendment**” means the Amendment No. 1 to Boeing Consent to Collateral Assignment of Purchase Rights dated on or about the date hereof and executed or to be executed,

as applicable, by Seller, Purchaser and Manufacturer which shall include a confirmation from Manufacturer as to the balance of the Advance Payments for each Undelivered Aircraft.

“Deed of Confirmation” means the Deed of Confirmation and Amendment dated on or about the date hereof and executed or to be executed, as applicable, by Acorn Investments Limited as mortgagor and Purchaser as mortgagee.

“Effective Date” has the meaning provided in Section 3.2 (*Conditions to Effective Date*).

“Effective Date Confirmation” means the Effective Date Confirmation substantially in the form of Appendix 1 (*Form of Effective Date Confirmation*) and executed or to be executed, as applicable, by the parties hereto.

“Final Order” means an order or judgment, the operation or effect of which has not been reversed, stayed, modified, or amended, and as to which order or judgment (or any reversal, stay, modification, or amendment thereof) (a) the time to appeal, seek certiorari, or request reargument or further review or rehearing has expired and no appeal, petition for certiorari, or request for reargument or further review or rehearing has been timely filed, or (b) any appeal that has been or may be taken or any petition for certiorari or request for reargument or further review or rehearing that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed, from which certiorari was sought, or to which the request was made, and no further appeal or petition for certiorari or request for reargument or further review or rehearing has been or can be granted; provided, however, with respect to either of the foregoing, no order or judgment shall fail to be a final order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be filed with respect to such order or judgment.

“IPA” means the Installment Purchase Agreement, dated as of October 27, 2017, among Seller, Seller Guarantor and Purchaser, as amended by the Installment Purchase Amendment Agreement, dated as of November 27, 2019, among Seller, Seller Guarantor and Purchaser, and as further supplemented and amended by the IPA Deferral Agreement.

“IPA Deferral Agreement” means the Installment Payment Deferral Agreement, dated as of June 30, 2020, among the parties hereto.

“Keep Well Agreement” means the Keep Well Letter dated on or about the date hereof executed or to be executed, as applicable, by Seller Guarantor in favor of Seller.

“Lease Amendment Agreement” means each of the Aircraft MSN [REDACTED] Lease Amendment, the Aircraft MSN [REDACTED] Lease Amendment and the Aircraft MSN [REDACTED] Lease Amendment.

“Lessor Guarantor” means Purchaser Guarantor.

“New Lease” means each of the Aircraft MSN [REDACTED] Lease, the Aircraft MSN [REDACTED] Lease, the Aircraft MSN [REDACTED] Lease, the Aircraft MSN [REDACTED] Lease, the Aircraft MSN [REDACTED] Lease and the Aircraft MSN [REDACTED].

“**New Lease Guarantee**” means, in respect of each New Lease, the guarantee dated on or about the date hereof and executed or to be executed, as applicable, by the Lessor Guarantor in favor of Lessee guaranteeing the obligations of the Lessor under that New Lease and the Operative Documents, as defined in that New Lease.

“**New Lessor**” means Miracle Andromeda Company Limited, or any affiliate of Purchaser Guarantor that becomes the lessor under a New Lease prior to the delivery of the applicable Undelivered Aircraft pursuant to the terms of the New Lease for that Undelivered Aircraft.

“**New Purchase Agreement Assignment**” means the Purchase Agreement Assignment dated on or about the date hereof with respect to Aircraft MSN [REDACTED] and Aircraft MSN [REDACTED] and executed or to be executed, as applicable, by Seller Guarantor as assignor and Seller as assignee and consented to or to be consented to, as applicable, by the Manufacturer pursuant to the Manufacturer’s consent, agreement and release dated on or about the date hereof and made or to be made, as applicable, by the Manufacturer.

“**Petition Date**” means June 30, 2021.

“**Reassignment Agreement**” means the letter agreement dated on or about the date hereof from Seller to Seller Guarantor and Manufacturer in respect of Aircraft MSN [REDACTED]. “**Stipulation**” means Stipulation and Order Between Certain Debtors and Counterparties Concerning Certain Equipment So Ordered by the Bankruptcy Court on September 21, 2020 [ECF 411].

“**Undelivered Aircraft**” means Aircraft MSN [REDACTED], Aircraft MSN [REDACTED], Aircraft MSN [REDACTED], Aircraft MSN [REDACTED], Aircraft MSN [REDACTED], Aircraft MSN [REDACTED] and Aircraft MSN [REDACTED].

Section 1.2 **Construction.** Headings are to be ignored in construing this Amendment and unless the contrary intention is stated, a reference to:

(a) the definitions set forth in Section 1.1 (*Definitions*) shall apply equally to both the singular and plural forms of the terms defined;

(b) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms;

(c) the words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation”;

(d) this “Amendment”, any other Amendment Document or any other agreement or instrument is a reference to this Amendment, such other Amendment Document or such other agreement or instrument as amended, novated, supplemented, extended or restated from time to time;

(e) a Section or an Appendix is to a section of or an appendix to this Amendment; and

(f) any Applicable Law, or to any specified provision of any Applicable Law, is a reference to such Applicable Law or provision as amended, substituted or reenacted.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 **Seller Representations and Warranties.** Seller represents and warrants to Purchaser that the following statements are on the date hereof and upon the date the Bankruptcy Court Order becomes a Final Order true and accurate:

(a) Seller is a private company limited by shares, duly incorporated under the laws of Ireland and has the company power to own its assets and carry on its business as it is being conducted.

(b) Seller has all requisite company power and authority and all necessary consents, approvals, authorizations, orders, registrations, qualifications, licenses and permits of and from all public regulatory or governmental agencies and bodies, to enter into all Amendment Documents to which it is, or will be, a party and to perform its obligations thereunder.

(c) This Amendment and each of the other Amendment Documents to which Seller is a party have been duly authorized, executed and delivered by Seller, and each of this Amendment and such other Amendment Documents constitutes Seller's legal, valid and binding obligation, enforceable against Seller in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or other laws affecting creditors' rights generally and general principles of equity.

(d) The entry into and performance by Seller of, and the transactions contemplated by, the Amendment Documents to which it is a party do not conflict with (i) any Applicable Law applicable to it, (ii) the constitutional documents of Seller or (iii) any agreement or instrument binding upon it or any of its assets.

(e) Seller (i) is not in default in any material respect and no event has occurred which with notice or lapse of time or both would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any agreement or instrument or any Amendment Document to which it is, or will be, a party, other than (A) the commencement and continuance of the Bankruptcy Cases and the financial conditions giving rise to such Bankruptcy Cases (B) the failure to pay the Periodic Discount Amount, Commitment Discount Amount and other monetary obligations when due, (C) defaults under Section 2.3(a), and (D) defaults attributable to Seller's failure to comply with its obligations under Part 6 (Financial Statements, Annual Return and Audit) of the Companies Act 2014 (as amended) of Ireland and such other requirements statutory or otherwise of the Seller to keep proper books of account, prepare financial statements and file such financial statements together with any annual returns with the Irish Companies Registration Office and (ii) is not in violation of any material respect of any law, ordinance, governmental rule, regulation, judgment, order or decree of any government, court or

governmental agency to which it or any property of Seller may be subject, except for Seller's obligations under Part 6 (Financial Statements, Annual Return and Audit) of the Companies Act 2014 (as amended) of Ireland and such other requirements statutory or otherwise of the Seller to keep proper books of account, prepare financial statements and file such financial statements together with any annual returns with the Irish Companies Registration Office.

(f) No Default or Event of Default has occurred and is continuing, other than (A) the commencement and continuance of the Bankruptcy Cases and the financial conditions giving rise to such Bankruptcy Cases, (B) the failure to pay the Periodic Discount Amount, Commitment Discount Amount and other monetary obligations when due, (C) defaults under Section 2.3(a), and (D) defaults attributable to Seller's failure to comply with its obligations under Part 6 (Financial Statements, Annual Return and Audit) of the Companies Act 2014 (as amended) of Ireland and such other requirements statutory or otherwise of Seller to keep proper books of account, prepare financial statements and file such financial statements together with any annual returns with the Irish Companies Registration Office.

(g) No material litigation, arbitration or administrative proceedings are pending or to its knowledge threatened against Seller.

(h) All of Seller's property and assets (including its rights under the Assigned Purchase Agreement) are free and clear of all Liens (other than the Liens created by the Security Agreement).

(i) Seller is in compliance in all material respects with all applicable laws, ordinances, rules, regulations, and requirements of governmental authorities applicable to it, other than Seller's failure to comply with its obligations under Part 6 (Financial Statements, Annual Return and Audit) of the Companies Act 2014 (as amended) and such other requirements statutory or otherwise of Seller to keep proper books of account, prepare financial statements and file such financial statements together with any annual returns with the Irish Companies Registration Office.

(j) Neither Seller nor any of its officers, directors, Affiliates or employees (i) has violated the U.S. Foreign Corrupt Practices Act of 1977, the United Kingdom Bribery Act 2010, the Irish Public Bodies Corrupt Practices Act 1889, the Irish Prevention of Corruption Act 1906, the Irish Ethics in Public Office Act 1995 and the Prevention of Corruption (Amendment) Act 2010, in each case as amended from time to time, (ii) is a Restricted Party or has engaged in any transaction, activity or conduct that could reasonably be expected to result in its being designated as a Restricted Party or (iii) is in breach of Sanctions or has ever been subject to any action, claim, proceeding, formal notice or investigation with respect to Sanctions.

Section 2.2 **Seller Guarantor Representations and Warranties.** Seller Guarantor represents and warrants to Purchaser that the following statements are on the date hereof and upon the date the Bankruptcy Court Order becomes a Final Order true and accurate:

(a) Seller Guarantor is a limited liability company (*sociedad anónima de capital variable*) duly incorporated under the laws of Mexico and has the company power to own its assets and carry on its business as it is being conducted.

(b) Subject to entry of the Bankruptcy Court Order (which shall be a Final Order), Seller Guarantor has all requisite company power and authority and all necessary consents, approvals, authorizations, orders, registrations, qualifications, licenses and permits of and from all public regulatory or governmental agencies and bodies, to enter into all such Amendment Documents and to perform its obligations thereunder.

(c) Subject to Bankruptcy Court Order (which shall be a Final Order), this Amendment and each of such other Amendment Document have been duly authorized, executed and delivered by Seller Guarantor, and each of this Amendment and such other Amendment Documents constitutes Seller Guarantor's legal, valid and binding obligation, enforceable against Seller Guarantor in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or other laws affecting creditors' rights generally and general principles of equity.

(d) The entry into and performance by Seller Guarantor of, and the transactions contemplated by, the Amendment Documents to which it is a party do not conflict with (i) any Applicable Law applicable to it, (ii) the constitutional documents of Seller Guarantor or (iii) any agreement or instrument binding upon it or any of its assets.

(e) Other than the Bankruptcy Cases, no material litigation, arbitration or administrative proceedings are pending or to its knowledge threatened against Seller Guarantor which could reasonably be expected to have a material adverse effect on Seller Guarantor's ability to perform its obligations under this Amendment or the other Amendment Documents to which it is a party.

(f) Neither Seller Guarantor nor any of its officers, directors, Affiliates or employees (i) has violated any Anti-Bribery Law, (ii) is a Restricted Party or has engaged in any transaction, activity or conduct that could reasonably be expected to result in its being designated as a Restricted Party or (iii) is in breach of Sanctions or has ever been subject to any action, claim, proceeding, formal notice or investigation with respect to Sanctions.

Section 2.3 **Purchaser Representations and Warranties.** Purchaser represents and warrants to Seller that the following statements are on the date hereof and upon the date the Bankruptcy Court Order becomes a Final Order true and accurate:

(a) Purchaser is a private company limited by shares, duly incorporated under the laws of Ireland and has the company power to own its assets and carry on its business as it is being conducted.

(b) Purchaser has all requisite company power and authority and all necessary consents, approvals, authorizations, orders, registrations, qualifications, licenses and permits of and from all public regulatory or governmental agencies and bodies, to enter into all Amendment Documents to which it is, or will be, a party and to perform its obligations thereunder.

(c) This Amendment and each of the other Amendment Documents to which Purchaser is a party have been duly authorized, executed and delivered by it, and each of this Amendment and such other Amendment Documents constitutes Purchaser's legal, valid and binding obligation, enforceable against Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or other laws affecting creditors' rights generally and general principles of equity.

(d) The entry into and performance by Purchaser of, and the transactions contemplated by, the Amendment Documents to which it is a party do not conflict with (i) any Applicable Law applicable to it, (ii) the constitutional documents of Purchaser or (iii) any agreement or instrument binding upon it or any of its assets.

Section 2.4 **Purchaser Guarantor Representations and Warranties.** Purchaser Guarantor represents and warrants to Seller that the following statements are on the date hereof and upon the date the Bankruptcy Court Order becomes a Final Order true and accurate:

(a) Purchaser Guarantor is a private company limited by shares, duly incorporated under the laws of Ireland and has the company power to own its assets and carry on its business as it is being conducted.

(b) Purchaser Guarantor has all requisite company power and authority and all necessary consents, approvals, authorizations, orders, registrations, qualifications, licenses and permits of and from all public regulatory or governmental agencies and bodies, to enter into all Amendment Documents to which it is, or will be, a party and to perform its obligations thereunder.

(c) This Amendment and each of the other Amendment Documents to which Purchaser Guarantor is a party have been duly authorized, executed and delivered by it, and each of this Amendment and such other Amendment Documents constitutes Purchaser Guarantor's legal, valid and binding obligation, enforceable against Purchaser Guarantor in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or other laws affecting creditors' rights generally and general principles of equity.

(d) The entry into and performance by Purchaser Guarantor of, and the transactions contemplated by, the Amendment Documents to which it is a party do not conflict

with (i) any Applicable Law applicable to it, (ii) the constitutional documents of Purchaser Guarantor or (iii) any agreement or instrument binding upon it or any of its assets.

ARTICLE III

EFFECTIVENESS; CONDITIONS PRECEDENT

Section 3.1 **Condition to Effectiveness of this Amendment.** This Amendment shall become effective when the Bankruptcy Court Order becomes a Final Order.

Section 3.2 **Conditions to Effective Date.** The agreements and confirmations set forth in Article IV (*Agreements and Confirmations*) and the specific amendments to the IPA set forth in Article V (*Specific IPA Amendments*) shall become effective on the date (the “**Effective Date**”) when (a) the conditions set forth in Part A (*Purchaser and Purchaser Guarantor Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) have been satisfied or waived by Purchaser and Purchaser Guarantor, (b) the conditions set forth in Part B (*Seller Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) have been satisfied or waived by Seller, and (c) the conditions set forth in Part C (*Seller Guarantor Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) have been satisfied or waived by Seller Guarantor and when the condition set forth in Section 3.1 has been fulfilled. Each of the parties hereto shall execute and deliver the Effective Date Confirmation confirming that the Effective Date has occurred when it is satisfied that such conditions for its benefit have been satisfied or waived by it.

ARTICLE IV

AGREEMENTS AND CONFIRMATIONS

Section 4.1 **Confirmation of Aircraft, Installment Payments and Advance Payments.** Subject to and upon the occurrence of the Effective Date:

(a) (i) Seller will reassign absolutely to Seller Guarantor pursuant to the Reassignment Agreement all rights under the Assigned Purchase Agreement in respect of Aircraft MSN [REDACTED] , including the right to purchase such Aircraft, (ii) Seller Guarantor will assign absolutely to Seller pursuant to the Purchase Agreement Assignment rights under the Purchase Agreement in respect of Aircraft MSN [REDACTED] and Aircraft MSN [REDACTED] , respectively, as provided in Section 4.1(d) and (2) the Assigned Purchase Agreement will be

otherwise amended pursuant to the APA Amendment. Purchaser, Security Trustee and Purchaser Guarantor consent to all of the foregoing.

(b) All references to the manufacturer's serial number "[REDACTED]" in the IPA and the other Transaction Documents (other than in the Amendment Documents) shall be amended to references to manufacturer's serial number[REDACTED]".

(c) All references to the manufacturer's serial number "[REDACTED]" in the IPA and the other Transaction Documents (other than in the Amendment Documents) shall be amended to references to manufacturer's serial number[REDACTED]".

(d) The Installment Payments previously paid in respect of Aircraft [REDACTED] shall be applied to the payment of the Purchase Prices of Aircraft [REDACTED]. The Advance Payments previously paid by Seller in respect of [REDACTED] shall be applied to [REDACTED] respectively. The balance of the Seller Note in respect[REDACTED] shall be deemed to be [REDACTED], respectively and shall be subject to adjustment as agreed between Seller and Seller Guarantor to reflect the differences in the Manufacturer Purchase Prices between the two aircraft.

(e) Notwithstanding any provision of the IPA to the contrary, the amount of the Installment Payments and Advance Payments in respect of each Undelivered Aircraft are set forth on Appendix 3 (*Installment Payments and Advance Payments for Undelivered Aircraft*), and the parties hereto confirm that the Installment Payments for [REDACTED] that were deferred pursuant to the IPA Deferral Agreement shall not be payable until the Delivery of such Aircraft. Seller Guarantor confirms that it has no interest in the Advance Payments for the Undelivered Aircraft.

(f) Seller and Seller Guarantor confirm that the Principal Amount Outstanding (as defined in the Seller Note) and interest on the Seller Note is \$[REDACTED] as of the Effective Date. Seller and Seller Guarantor shall agree the allocation of such amount among the Undelivered Aircraft.

Section 4.2 No Periodic Discount Amount and Commitment Discount Amount; PDA/CDA Claim. Subject to and upon the occurrence of the Effective Date, (a) neither Seller nor Seller Guarantor will be obligated to pay any Periodic Discount Amount or Commitment Discount Amount under the IPA, and (b) the parties agree that [REDACTED].

Section 4.3 Existing Defaults. Subject to Sections 4.2 (*No Periodic Discount Amount and Commitment Discount Amount; PDA/CDA Claim*) and 4.4(d) (*Guarantee Confirmations; Claims*), Purchaser and Purchaser Guarantor agree that on and subject to the occurrence of the Effective Date any and all Events of Default or Defaults (including the Events of Default and Defaults disclosed in Section 2.1 hereof) then in existence (but not thereafter) have been cured or are hereby waived.

Section 4.4 Guarantee Confirmations; Acknowledgement of Liens; Claims.

(a) As of the Effective Date, Seller Guarantor hereby absolutely, unconditionally and irrevocably guarantees the punctual payment and/or performance when due

of all Seller Obligations as modified and amended by this Amendment and the Amendment Documents and consents to the Seller entering into this Amendment and ratifies and confirms that it assumes the Seller Guarantee and the Seller Guarantee remains in full force and effect with respect to the Seller Obligations as modified and amended by the Amendment Documents.

(b) As of the Effective Date, each of the Seller and Seller Guarantor acknowledge and ratify the assignment, mortgage and pledge granted by the Seller to the Security Trustee under the Mortgage and Security Agreement, dated October 27, 2017, over the Collateral (as defined therein), which includes the Assigned Purchase Agreement and any reimbursement of Advance Payments or other payments payable to Purchaser thereunder, the continued perfection of such assignment, mortgage and pledge over such Collateral.

(c) As of the Effective Date, Purchaser Guarantor hereby confirms that the Purchaser Guarantee remains in full force and effect with respect to the Liabilities (as defined in the Purchaser Guarantee) of Purchaser as modified and amended by the Amendment Documents.

(d) In addition to the PDA/CDA Claim and without prejudice to any claims which may arise following the Effective Date[REDACTED] Notwithstanding any provision of this Amendment or the Amendment Documents, the amendments to the IPA and the other Transaction Documents pursuant to this Amendment and the other Amendment Documents shall not prejudice, release or discharge, or be used as a defense to, or otherwise adversely affect, any claim of any of the parties hereto made in the Bankruptcy Cases consistent with the terms of this provision.

Section 4.5 No Other Amendments; IPA Continuing. Other than as provided in this Amendment, the terms and conditions of the IPA remain unchanged and shall continue in full force and effect.

Section 4.6 Consent to Amendment Documents. Notwithstanding any provision of the Transaction Documents to the contrary, Purchaser and Purchaser Guarantor consent to each of Seller's and Seller Guarantor's execution and delivery of the Amendment Documents to which it is a party, and from and after the Effective Date, Seller and Seller Guarantor entering into the Amendment Documents and performing their respective obligations thereunder shall not constitute an Event of Default, Default or a default under or a breach of any provision of any Transaction Document.

Section 4.7 Acknowledgment of Previous Rent Terms. The parties hereto acknowledge that, prior to this Amendment, the Rent in respect of each Undelivered Aircraft was to be calculated in accordance with the terms set forth in Appendix 4 (*Previous Rent Terms*).

ARTICLE V

SPECIFIC IPA AMENDMENTS

Section 5.1 **Amendments.** Effective as of the Effective Date, the IPA shall be amended as follows:

(a) The first sentence of Section 1.1 (*Definitions*) shall be amended and restated to read as follows:

“Capitalized terms and expressions used and not otherwise defined herein shall have the meanings given to them in the Leases.”

(b) Section 1.1 (*Definitions*) shall be amended as follows:

(i) The defined term “Amount” shall be amended and restated to read as follows:

““**Amount**” has the meaning given to such term in the definition of “After-Tax Basis”.”

(ii) The defined term “Date Certain” shall be amended and restated to read as follows:

““**Date Certain**” means, with respect to any Aircraft, [REDACTED].”

(iii) The defined term “Lease” shall be amended and restated to read as follows:

““**Lease**” means, for each Aircraft, the aircraft lease agreement for such Aircraft between the relevant Lessor, as lessor, and Lessee, as lessee.”

(iv) The defined term “Lease Guarantee” shall be amended and restated to read as follows:

““**Lease Guarantee**” means, in respect of each Lease, the guarantee executed or to be executed, as applicable, by the Lessor Guarantor in favor of Lessee guaranteeing the obligations of Lessor under that Lease and the Operative Documents, as defined in that Lease.”

(v) The defined term “Lessor” shall be amended and restated to read as follows:

““**Lessor**” means (a) in respect of the Aircraft bearing manufacturer’s serial number [REDACTED] (b) in respect of the Aircraft bearing manufacturer’s serial numbers [REDACTED] and (c) in respect of any other

Aircraft, [REDACTED] that becomes the lessor under a Lease for that Aircraft prior to the delivery of that Aircraft pursuant to the terms of that Lease.”

(vi) The defined term “Lessor Guarantor” shall be amended and restated to read as follows:

“**Lessor Guarantor**” means, in respect of each Lease, Clover Aircraft Leasing Company Limited.”

(vii) The defined term “Owner” shall be amended and restated to read as follows:

“**Owner**” means, for each Aircraft, the Lessor of such Aircraft.”

(viii) The defined term “Scheduled Delivery Month” shall be amended and restated to read as follows:

“**Scheduled Delivery Month**” means, for each Aircraft, the calendar month set forth opposite such Aircraft in the column entitled “Scheduled Delivery Period” in Schedule 3 (*Purchase Price and Scheduled Delivery Months*).”

(ix) The following defined terms shall be inserted in their respective proper alphabetical order:

“**Bankruptcy Cases**” means the Chapter 11 cases commenced by Seller Guarantor and its affiliates on June 30, 2020 and pending in the Bankruptcy Court under the lead case no. 20-11563.

“**Delay Period**” means, for any Aircraft, the period from the last day of the Scheduled Delivery Month for such Aircraft through the earlier of (i) the last day of the [REDACTED] month after such Scheduled Delivery Month and (ii) the date on which Manufacturer refunds to Seller or Purchaser or Security Trustee the Advance Payments.

“**IPA Amendment (2021)**” means the Installment Purchase Agreement Amendment, dated as of [●], 2021, among the parties hereto.”

(x) The defined terms “Applicable Margin”, “Break Costs”, “Discount Accrual Rate”, “Lease Execution Date”, “Non-Permitted Delay”, “Non-Permitted Delay Period”, “Owner Quiet Enjoyment Letter”, “Permitted Delay”, “Permitted Delay Period” and “Scheduled Delivery Period” shall be deleted.

(c) Section 2.4(f) (*Seller Affirmative Covenants*) shall be amended to replace the reference to “Scheduled Delivery Period” in the third line thereof with “Scheduled Delivery Month”.

(d) Section 2.5(e) (*Seller Negative Covenants*) shall be amended and restated to read as follows:

“(e) Seller shall not exercise any termination option or right under the Assigned Purchase Agreement (other than as provided in the APA Amendment) without Purchaser’s prior written consent.”

(e) Section 3.1(b)(i) and (ii) (*Purchase and Sale*) shall be amended and restated to read as follows:

“(i) Seller, provided the Seller Conditions Precedent set out in Part E of Schedule 4 (*Conditions Precedent*) are satisfied or waived by Seller, shall execute and deliver to the Purchaser and Owner of such Aircraft counterparts to each of the Delivery PAA and the Delivery PAA Consent for such Aircraft; and

(ii) the Purchaser, provided the Purchaser Conditions Precedent set out in Part D of Schedule 4 (*Conditions Precedent*) are satisfied or waived by Purchaser, shall, and shall ensure that the Owner of such Aircraft will, execute and deliver to Lessee counterparts to each of the Delivery PAA and the Delivery PAA Consent for such Aircraft.”

(f) Section 3.2 (*Leases*) shall be amended and restated to read as follows:

“(a) For each Aircraft and Lease for such Aircraft:

(i) the Base Rent Amount referred to in clause 1 (*Base Lease Term and Rent*) of Part A of Schedule 4 (*Financial Terms Annex*) of such Lease [REDACTED] ;

(ii) the Rent Adjustment Factor referred to in clause 1 (*Base Lease Term and Rent*) of Part A of Schedule 4 (*Financial Terms Annex*) of such Lease shall be US\$[REDACTED] ; and

(iii) the amount referred to in the definition of “Agreed Value” in clause 4 (*Insurance and Default Matters*) of Part A of Schedule 4 (*Financial Terms Annex*) of such Lease shall be equal to \$[REDACTED] for such Aircraft.

(b) For each Lease and Aircraft, the Airframe Warranty Assignment and Engine Warranties Assignment, each as defined in such Lease, shall be substantially in the respective forms attached to such Lease. Seller Guarantor and Purchaser will consider and negotiate in good faith any changes to the form of Airframe Warranty Assignment or Engine Warranties Agreement that may be required or requested by Manufacturer or the Engine Manufacturer, respectively.”

(g) Section 3.4(a) (*Equipment*) shall be amended to delete the text “and in any event prior to the Lease Execution Date for such Aircraft” in the fourth line thereof.

(h) Section 5.2 (*Refund of Purchase Price*) shall be amended to delete the text “any accrued and unpaid Periodic Discount Amounts and” from the sixth through seventh lines thereof.

(i) Section 7.2(a) (*Delayed Delivery*) shall be amended to replace the reference to “Scheduled Delivery Period” in the third line thereof with “Scheduled Delivery Month”.

(j) Section 7.2(b) and (c) (*Delayed Delivery*) shall be amended and restated to read as follows:

“(b) The Seller shall not agree to extend the Scheduled Delivery month without the prior written consent of Purchaser.

(c) In the event Delivery of an Aircraft is delayed beyond the Delay Period for such Aircraft, either Seller or Purchaser shall have the right to terminate this Agreement in respect of such Aircraft by giving written notice of such termination to the other parties hereto and upon such termination Seller shall make the payments required by Section 5.2 (*Refund of Purchase Price*), any Lease then in effect in respect of such Aircraft shall terminate pursuant to Section 3.3.1 of such Lease and, except as provided in Section 5.2 (*Refund of Purchase Price*), the parties shall have no further rights, obligations or liabilities under this Agreement in respect of such Aircraft or under that Lease.”

(k) Section 8.4 (*Aircraft Condition & Warranties*) shall be amended to replace the reference to “Section 3.2(d)” with “Section 3.1(d) (*Purchase and Sale*)”.

(l) The last sentence of Section 10.1 shall be amended and restated to read as follows:

“When Seller incurs expenses or renders services in connection with an Event of Default occurring after the Effective Date (as defined in the IPA Amendment), such expenses (including the fees and expenses of its counsel) and the compensation for such services are intended to constitute expenses of administration under any bankruptcy law or law relating to creditors’ rights generally.”

(m) Section 10.3 shall be deleted and replaced by the text “Intentionally Omitted”.

(n) Section 10.8 shall be deleted and replaced by the text “Intentionally Omitted”.

(o) Section 11.1 (*Events of Default*) shall be amended by the insertion of the following paragraph at the end of such Section:

“Notwithstanding the foregoing provisions of this Section 11.1 (*Events of Default*), no Event of Default for purposes of this Section 11.1 shall arise solely as

a result of the commencement or continuance of the Bankruptcy Cases; provided that, it shall be an Event of Default if any one of the following occurs: (A) Seller Guarantor files a Chapter 11 plan that contemplates the liquidation of all or a substantial portion of Seller Guarantor's assets; (B) the Bankruptcy Cases are converted to cases under Chapter 7 of the Bankruptcy Code, or Seller Guarantor files or acquiesces in any motion or other pleading seeking such conversion; (C) a trustee or examiner is appointed in the Bankruptcy Cases, or Seller Guarantor files or acquiesces in any motion or other pleading seeking such appointment; or (D) Seller Guarantor files any motion or other pleading seeking to reverse, stay, modify or vacate the approval of the IPA Amendment (2021), the other Amendment Documents as defined in the IPA Amendment (2021) or the Seller Guarantee and the transactions contemplated hereby or any other relief that is inconsistent with the terms of this Agreement. For the avoidance of doubt, if any event mentioned in Sections 11.1(g) or (h) occurs in relation to Seller it shall be an Event of Default."

(p) Section 11.1(a) (*Events of Default*) shall be amended and restated to read as follows:

"(a) Seller fails to pay any other amount under this Agreement or any amount under any other Transaction Document when due hereunder and such failure continues for [REDACTED] Business Days after Seller receives written notice of such failure."

(q) Section 11.1(j) (*Events of Default*) shall be amended and restated to read as follows:

"(j) Seller fails to comply with its obligations in Section 3.1(b) and such failure continues for [REDACTED] days after Seller and Seller Guarantor receive notice of said failure."

(r) Section 11.1(m) (*Events of Default*) shall be deleted and replaced by the text "Intentionally Omitted".

(s) Section 12.4 (*Termination*) shall be deleted and replaced by the text "Intentionally Omitted".

(t) Section 13.5(b) (*Prior Payment of Guaranteed Obligations*) shall be amended and restated to read as follows:

"(b) **Prior Payment of Guaranteed Obligations.** In the event of any event mentioned in Sections 11.1(g) or (h) relating to Seller, in addition to and without limitation of any other rights or remedies that may be available to Purchaser or claims which Purchaser may assert, Seller Guarantor hereby agrees that Purchaser shall be entitled to receive payment in full in cash of all Seller Obligations (including all interest, costs and expenses accruing after the commencement of such an event in Sections 11.1(g) or (h),

whether or not constituting an allowed claim in such proceeding (“**Post-Petition Interest**”)) before Seller Guarantor receives payment of any Subordinated Obligations.”

(u) Part A (*Description of Aircraft*) of Schedule 1 of the IPA shall be deleted and replaced with Appendix 5 (*Description of Aircraft*) hereto.

(v) Schedule 3 (*Purchase Price and Rent Adjustment Factor*) shall be deleted and replaced with Appendix 6 (*Purchase Price and Scheduled Delivery Months*) hereto.

(w) Schedule 6 (*Form of Lease*) shall be deleted and replaced with “Intentionally Omitted”.

(x) Schedule 7 (*Form of Lease Guarantee*) shall be deleted and replaced with “Intentionally Omitted”.

ARTICLE VI

MISCELLANEOUS

Section 6.1 **No Assignment.** The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. None of Seller, Seller Guarantor, Purchaser and Purchaser Guarantor shall assign or transfer all or any of its rights and/or obligations under this Amendment without the prior written consent of Purchaser in the case of assignments or transfers by Seller or Seller Guarantor or Seller in the case of assignments or transfers by Purchaser or Purchaser Guarantor.

Section 6.2 **Counterparts.** This Amendment may be executed in any number of separate counterparts and each counterpart shall when executed and delivered be an original document but all counterparts shall together constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by fax or email will be deemed as effective as delivery of an originally executed version.

Section 6.3 **Notices.** The provisions of Section 14.3 (*Notices*) of the IPA are hereby incorporated into this Amendment *mutatis mutandis*.

Section 6.4 **Amendments in Writing.** This Amendment shall not be amended or supplemented, or any provision hereof waived, without the consent in writing of each party.

Section 6.5 **Illegality.** If any part of this Amendment becomes invalid, illegal or unenforceable under any Applicable Law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected.

Section 6.6 **Whole Agreement.** This Amendment and the other Amendment Documents constitute the entire Amendment between the parties hereto in relation to the amendment of the IPA as contemplated herein and matters related thereto and supersede all

previous proposals, representations, amendments and other written and oral communications in relation thereto.

Section 6.7 Costs and Expenses. Notwithstanding any provision of the IPA or any other Transaction Document to the contrary, including Section 10.1 of the IPA, (a) Seller Guarantor shall pay its own and Seller's costs and expenses (including legal fees) in connection with the negotiation of this Amendment and the other Amendment Documents, and (b) each of Purchaser and Purchaser Guarantor shall pay its own costs and expenses (including legal fees) and the costs and expenses of any of their respective Affiliates and any Indemnitees in connection with the negotiation of this Amendment and the other Amendment Documents.

Section 6.8 Confidentiality. This Amendment, the terms hereof and all non-public information obtained by a party about any party are confidential and are among Purchaser, Purchaser Guarantor, Seller and Seller Guarantor only. Purchaser and Purchaser Guarantor shall not, [and shall procure that Ping An International Financial Leasing Co., Ltd. and Purchaser Parent shall not,] and Seller and Seller Guarantor shall not, and shall procure that their respective officers, employees and agents shall not, disclose the contents of this Amendment or such non-public information to any third party (other than (a) to such party's or its Affiliates' employees, representatives, auditors, professional advisors, regulators, financial advisors and rating agencies; (b) as required in connection with any filing of this Amendment in accordance with any applicable Regulation; (c) in connection with Purchaser's potential assignment of this Amendment; provided that any recipient of any such confidential information in such case shall as a condition precedent to receipt of the information execute and deliver a confidentiality agreement containing terms no less stringent than the terms of this Section 6.8; provided further that Purchaser shall not disclose in connection with such assignment the terms of Appendix 6 (*Purchase Price and Scheduled Delivery Periods*) or the Leases; (d) as required for enforcement by either party of its rights and remedies with respect to this Amendment; (e) as required by applicable Regulation; (f) in connection with any court or regulatory proceedings; or (g) if such information is otherwise available in the public domain), without the prior written consent of the other party. If any disclosure will result in this Amendment becoming publicly available, the parties hereto will cooperate with one another to obtain confidential treatment or limit the scope of disclosure as to the commercial terms and other material provisions of this Amendment. Notwithstanding the foregoing, Seller Guarantor may disclose this Amendment, any other Amendment Document and any Transaction Document (i) as may be required to obtain the Bankruptcy Court's approval of this Amendment or the other Amendment Documents; or (ii) to the U.S. Trustee, the Unsecured Creditors Committee or the entities providing the debtor-in-possession financing to Seller Guarantor, its Affiliates and any of their respective related Persons.

Section 6.9 Electronic Signatures. In connection with the performance of their respective duties hereunder, each party may give notices, consents, directions, approvals, instructions and requests to, and otherwise communicate with, each other using electronic means, including email transmission to such email addresses as each such party shall designate to the other parties, and, if necessary or if requested by the other party or parties, with an "electronic signature" or other "electronic record" (as such terms are defined in the New York State Electronic Signatures and Records Act). Delivery of an executed counterpart of this Amendment or any other Amendment Document by facsimile, email, "electronic signature" or other "electronic record" will be deemed as effective as delivery of an originally executed counterpart. Any party delivering an

executed counterpart of this Amendment or any other Amendment Document by facsimile, email, “electronic signature” or other “electronic record” will also deliver an originally executed counterpart thereof, but the failure of any party to deliver an originally executed counterpart of this Amendment or any other Amendment Document will not affect the validity or effectiveness of this Amendment or such other Amendment Document.

Section 6.10 **Transaction Documents.** This Amendment and the other Amendment Documents shall constitute Transaction Documents as defined in the IPA.

ARTICLE VII

GOVERNING LAW AND JURISDICTION

Section 7.1 **GOVERNING LAW AND JURISDICTION.** THIS AMENDMENT, AND ANY CLAIM OR CONTROVERSY ARISING OUT OF OR IN CONNECTION THEREWITH OR ANY MATTER ARISING THEREUNDER, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, SHALL IN ALL RESPECTS, BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO ANY CONFLICT OF LAW PRINCIPLES.

Section 7.2 **JURY WAIVER.** EACH PARTY HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

Section 7.3 The provisions of Sections 15.2, 15.3, 15.4 and 15.6 (*Governing Law and Jurisdiction*) are hereby incorporated in this Amendment *mutatis mutandis*.

ARTICLE VIII

LIMITATION ON RECOURSE AND NON-PETITION

Section 8.1 Notwithstanding any other provision of this Amendment to the contrary:

(a) Neither Purchaser nor Purchaser Guarantor shall institute against, or join any other Person in instituting against, Seller, any bankruptcy, reorganization, arrangement, insolvency, examinership, winding-up, moratorium or liquidation proceedings, or other similar proceedings under Irish law, or the laws of any other applicable jurisdiction;

(b) without prejudice to Section 4.4(a) (*Guarantee Confirmations*) and Article XIII (*Seller Guarantee*) of the IPA and the other undertakings of Seller Guarantor in the Transaction Documents, the obligations of Seller to Purchaser and Purchaser Guarantor under and in connection with this Amendment and the other Amendment Documents shall be limited recourse obligations payable solely from the available assets of Seller. No recourse shall be had against any shareholder, employee, officer, director or agent of Seller under or in connection with

this Amendment, it being understood and agreed that the obligations of Seller hereunder are corporate obligations; and

(c) this Article VIII shall survive the termination of this Amendment and the IPA.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF this Amendment has been signed on the day and year first above written.

SELLER
MEXICAN DRAGON AIRCRAFT HOLDINGS
LIMITED

By: _____
Name:
Title:

SELLER GUARANTOR
AEROVÍAS DE MÉXICO, S.A. DE C.V.

By: _____
Name:
Title:

By: _____
Name:
Title:

PURCHASER
PAAL CETUS COMPANY LIMITED

By: _____
Name:
Title:

PURCHASER GUARANTOR
CLOVER AIRCRAFT LEASING COMPANY
LIMITED

By: _____
Name:
Title:

Appendix 1

Form of Effective Date Confirmation

EFFECTIVE DATE CONFIRMATION

Dated: _____, 2021

The undersigned hereby agree as follows:

1. This Effective Date Confirmation is entered into for purposes of the Installment Purchase Agreement Amendment, dated as of [●], 2021 (the “**Amendment**”), among the undersigned.
2. Terms used in this Effective Date Confirmation shall have the meanings given to them in the Amendment.
3. Purchaser and Purchaser Guarantor hereby confirms that as of the date hereof all conditions precedent in its favor set out in Part A (*Purchaser and Purchaser Guarantor Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) of the Amendment have been satisfied or are hereby waived by Purchaser and Purchaser Guarantor.
4. Seller hereby confirms that as of the date hereof all conditions precedent in its favor set out in Part B (*Seller Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) of the Amendment have been satisfied or are hereby waived by Seller.
5. Seller Guarantor hereby confirms that as of the date hereof all conditions precedent in its favor set out in Part C (*Seller Guarantor Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) of the Amendment have been satisfied or are hereby waived by Seller Guarantor.
6. The Effective Date is the date of this Effective Date Confirmation.
5. This Effective Date Confirmation shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance, but excluding the conflict of laws provisions thereof.
6. This Effective Date Confirmation may be executed in any number of counterparts, each of which when so executed shall be deemed an original, and such counterparts together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Effective Date Confirmation by telecopy or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Effective Date Confirmation.

SELLER

MEXICAN DRAGON AIRCRAFT HOLDINGS
LIMITED

By: _____
Name:
Title:

SELLER GUARANTOR

AEROVÍAS DE MÉXICO, S.A. DE C.V.

By: _____
Name:
Title:

By: _____
Name:
Title:

PURCHASER

PAAL CETUS COMPANY LIMITED

By: _____
Name:
Title:

PURCHASER GUARANTOR

CLOVER AIRCRAFT LEASING COMPANY
LIMITED

By: _____
Name:
Title:

Appendix 2

Conditions Precedent

Part A

Purchaser and Purchaser Guarantor Conditions Precedent to Effective Date

1. Purchaser shall have received a copy of (a) the constitutional documents of Seller, (b) the resolutions of the board of directors of Seller authorizing the transactions contemplated by the Amendment Documents to which it is a party and the power of attorney authorizing the execution by the attorneys named therein of the Amendment Documents to which it is or will be a party and any notices or other documents to be given pursuant thereto and (c) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Seller, certified by an officer of Seller to be true and correct.
2. Purchaser shall have received a copy of (a) the constitutional documents of Seller Guarantor, (b) the resolutions of the board of directors of Seller Guarantor (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of Seller Guarantor the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which Seller Guarantor is a party, (c) if applicable, a power of attorney issued by or on behalf of Seller Guarantor, authorizing the execution by the attorneys named therein of the Amendment Documents to which Seller Guarantor is a party, and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Seller Guarantor, certified by an officer of Seller Guarantor to be true and correct.
3. The representations and warranties given by Seller and Seller Guarantor in the Amendment Documents to which they are a party are true and correct.
4. Purchaser shall be reasonably satisfied that all necessary or advisable consents, registrations, filings, approvals, licenses and authorizations shall have been obtained in connection with Seller's and Seller Guarantor's execution, delivery and performance of their respective obligations under Amendment Documents to which they are a party.
5. The Bankruptcy Court Order shall be a Final Order.
6. The following Amendment Documents shall have been duly authorized, executed and delivered by the party or parties thereto (other than Purchaser or Purchaser Guarantor), and shall each be satisfactory in form and substance to Purchaser and shall be in full force and effect:
 - (a) the APA Amendment and the Effective Date Confirmation as defined therein;
 - (b) the Purchase Agreement Assignment;
 - (c) the Reassignment Agreement;

- (d) the Lease Amendment Agreements;
- (e) Consent Amendment;
- (f) the Keep Well Agreement; and
- (g) the New Leases.

Part B
Seller Conditions Precedent to Effective Date

1. Seller shall have received a copy of (a) the constitutional documents of Purchaser, (b) the resolutions of the board of directors of Purchaser (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of Purchaser the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which Purchaser is a party, (c) if applicable, a power of attorney issued by or on behalf of Purchaser, authorizing the execution by the attorneys named therein of the Amendment Documents to which Purchaser is a party and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Purchaser, certified by an officer of Purchaser to be true and correct.
2. Seller shall have received a copy of (a) the constitutional documents of Purchaser Guarantor, (b) the resolutions of the board of directors of Purchaser Guarantor (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of Purchaser Guarantor the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which Purchaser Guarantor is a party, (c) if applicable, a power of attorney issued by or on behalf of Purchaser Guarantor, authorizing the execution by the attorneys named therein of the Amendment Documents to which Purchaser Guarantor is a party and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Purchaser Guarantor, certified by an officer of Purchaser Guarantor to be true and correct.
3. Seller shall have received a copy of (a) the constitutional documents of Seller Guarantor, (b) the resolutions of the board of directors of Seller Guarantor (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of Seller Guarantor the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which Seller Guarantor is a party, (c) if applicable, a power of attorney issued by or on behalf of Seller Guarantor, authorizing the execution by the attorneys named therein of the Amendment Documents to which Seller Guarantor is a party, and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Seller Guarantor, certified by an officer of Seller Guarantor to be true and correct.
4. The representations and warranties given by Seller Guarantor, Purchaser and Purchaser Guarantor in the Amendment Documents to which they are a party are true and correct.
5. Seller shall be reasonably satisfied that all necessary or advisable consents, registrations, filings, approvals, licenses and authorizations shall have been obtained in connection with Seller Guarantor's, Purchaser's and Purchaser Guarantor's execution, delivery and performance of their respective obligations under Amendment Documents to which they are a party.

6. Seller shall be reasonably satisfied that each of Seller Guarantor, Purchaser and Purchaser Guarantor have received all regulatory and statutory approvals required for the execution, delivery and performance of its obligations under the Amendment Documents to which it is a party.
7. The Bankruptcy Court Order shall be a Final Order.
8. The following Amendment Documents shall have been duly authorized, executed and delivered by the party or parties thereto (other than Seller), shall each be satisfactory in form and substance to Seller and shall be in full force and effect:
 - (a) the APA Amendment and the Effective Date Confirmation as defined therein;
 - (b) the Keep Well Agreement;
 - (c) the Purchase Agreement Assignment; and
 - (d) the Reassignment Agreement.

Part C
Seller Guarantor Conditions Precedent to Effective Date

1. Seller Guarantor shall have received a copy of (a) the constitutional documents of Purchaser, (b) the resolutions of the board of directors of Purchaser (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of Purchaser the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which Purchaser is a party, (c) if applicable, a power of attorney issued by or on behalf of Purchaser, authorizing the execution by the attorneys named therein of the Amendment Documents to which Purchaser is a party and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Purchaser, certified by an officer of Purchaser to be true and correct.
2. Seller Guarantor shall have received a copy of (a) the constitutional documents of Purchaser Guarantor, (b) the resolutions of the board of directors of Purchaser Guarantor (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of Purchaser Guarantor the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which Purchaser Guarantor is a party, (c) if applicable, a power of attorney issued by or on behalf of Purchaser Guarantor, authorizing the execution by the attorneys named therein of the Amendment Documents to which Purchaser Guarantor is a party and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Purchaser Guarantor, certified by an officer of Purchaser Guarantor to be true and correct.
3. Seller Guarantor shall have received a copy of (a) the constitutional documents of New Lessor, (b) the resolutions of the board of directors of New Lessor (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of New Lessor the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which New Lessor is a party, (c) if applicable, a power of attorney issued by or on behalf of New Lessor, authorizing the execution by the attorneys named therein of the Amendment Documents to which New Lessor is a party and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of New Lessor, certified by an officer of New Lessor to be true and correct.
4. Seller Guarantor shall have received a copy of (a) the constitutional documents of Seller, (b) the resolutions of the board of directors of Seller authorizing the transactions contemplated by the Amendment Documents to which it is a party and the power of attorney authorizing the execution by the attorneys named therein of the Amendment Documents to which it is or will be a party and any notices or other documents to be given pursuant thereto and (c) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Seller, certified by an officer of Seller to be true and correct.

5. The representations and warranties given by each of Purchaser, Purchaser Guarantor, New Lessor and Seller in the Amendment Documents to which it is a party are true and correct.
6. Seller Guarantor shall be reasonably satisfied that all necessary or advisable consents, registrations, filings, approvals, licenses and authorizations shall have been obtained in connection with Purchaser's, Purchaser Guarantor's, New Lessor's and Seller's execution, delivery and performance of their respective obligations under Amendment Documents to which they are a party.
7. Seller Guarantor shall be reasonably satisfied that each of Seller, Purchaser, New Lessor and Purchaser Guarantor has received all regulatory and statutory approvals required for the execution, delivery and performance of its obligations under the Amendment Documents to which it a party.
8. The Bankruptcy Court Order shall be a Final Order.
9. The following Amendment Documents shall have been duly authorized, executed and delivered by the party or parties thereto (other than Seller Guarantor), shall each be satisfactory in form and substance to Seller Guarantor and shall be in full force and effect:
 - (a) the APA Amendment and the Effective Date Confirmation as defined therein;
 - (b) the Purchase Agreement Assignment;
 - (c) the Agency Agreement Amendment;
 - (d) the Reassignment Agreement;
 - (e) the Lease Amendment Agreements;
 - (f) the New Leases; and
 - (g) the New Lease Guarantees.

Appendix 3

Installment Payments and Advance Payments for Undelivered Aircraft

Aircraft MSN	Installment Payments	Advance Payments
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Appendix 4

PREVIOUS RENT TERMS

The amount of Rent payable on each Rent Date shall be the Base Rent Amount (a) [REDACTED] :

“**Basic Rent Amount**” means the product of [REDACTED].

“**Relevant Swap Rate**” means the [REDACTED]; and

“**Rent Adjustment Factor**” means the amount specified for the Aircraft and the Base Lease Term set forth below:

The Rent Adjustment Factor for each Aircraft that is a 737 Max [REDACTED] (including, for the avoidance of doubt, any Re-designated Aircraft) shall be that set forth in the chart below opposite such Aircraft’s manufacturer’s serial number.

	Aircraft MSN	Rent Adjustment Factor if the [REDACTED] months	Rent Adjustment Factor if the [REDACTED] months
1	[REDACTED]	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]	[REDACTED]
3	[REDACTED]	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED]	[REDACTED]
5	[REDACTED]	[REDACTED]	[REDACTED]
6	[REDACTED]	[REDACTED]	[REDACTED]
7	[REDACTED]	[REDACTED]	[REDACTED]
8	[REDACTED]	[REDACTED]	[REDACTED]
9	[REDACTED]	[REDACTED]	[REDACTED]
10	[REDACTED]	[REDACTED]	[REDACTED]

The Rent Adjustment Factor for each Aircraft that is a 737 Max 9 (excluding, for the avoidance of doubt, any Re-designated Aircraft) shall be that set forth in the chart below opposite such Aircraft’s manufacturer’s serial number.

	Aircraft MSN	Rent Adjustment Factor if the [REDACTED] months	Rent Adjustment Factor if the [REDACTED] months
--	--------------	---	---

1	[REDACTED]	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]	[REDACTED]
3	[REDACTED]	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED]	[REDACTED]
5	[REDACTED]	[REDACTED]	[REDACTED]
6	[REDACTED]	[REDACTED]	[REDACTED]

Appendix 5

SCHEDULE 1

**Part A
Description of Aircraft**

Aircraft Manufacturer:	[REDACTED]
Aircraft Model and Series:	[REDACTED]
Manufacturer's Serial Number:	[REDACTED]
Engine Manufacturer and Model:	[REDACTED]
Engine Serial Numbers:	[REDACTED]

Aircraft Manufacturer:	[REDACTED]
Aircraft Model and Series:	[REDACTED]
Manufacturer's Serial Number:	[REDACTED]
Engine Manufacturer and Model:	[REDACTED]
Engine Serial Numbers:	[REDACTED]

Aircraft Manufacturer:	[REDACTED]
Aircraft Model and Series:	[REDACTED]
Manufacturer's Serial Number:	[REDACTED]
Engine Manufacturer and Model:	[REDACTED]
Engine Serial Numbers:	[REDACTED]

Aircraft Manufacturer:	[REDACTED]
Aircraft Model and Series:	[REDACTED]
Manufacturer's Serial Number:	[REDACTED]

Engine Manufacturer and Model:	[REDACTED]
Engine Serial Numbers:	[REDACTED]

Aircraft Manufacturer:	[REDACTED]
Aircraft Model and Series:	[REDACTED]
Manufacturer's Serial Number:	[REDACTED]
Engine Manufacturer and Model:	[REDACTED]
Engine Serial Numbers:	[REDACTED]

Aircraft Manufacturer:	[REDACTED]
Aircraft Model and Series:	[REDACTED]
Manufacturer's Serial Number:	[REDACTED]
Engine Manufacturer and Model:	[REDACTED]
Engine Serial Numbers:	[REDACTED]

Aircraft Manufacturer:	[REDACTED]
Aircraft Model and Series:	[REDACTED]
Manufacturer's Serial Number:	[REDACTED]
Engine Manufacturer and Model:	[REDACTED]
Engine Serial Numbers:	[REDACTED]

Appendix 6

SCHEDULE 3

PURCHASE PRICE AND SCHEDULED DELIVERY MONTHS

Airframe Manufacturer / Model		
Boeing 737 MAX [REDACTED]		
MSN	Scheduled Delivery Month	Maximum Purchase Price
[REDACTED]	[REDACTED]	[REDACTED]

Airframe Manufacturer / Model		
Boeing 737 MAX [REDACTED]		
MSN	Scheduled Delivery Month	Maximum Purchase Price
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Exhibit 1

BANKRUPTCY COURT ORDER

[attached]

Annex 4

Assigned Purchase Agreement Amendment

Dated as of April [__], 2021

MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED

THE BOEING COMPANY

and

AEROVÍAS DE MÉXICO, S.A. DE C.V.

ASSIGNED PURCHASE AGREEMENT AMENDMENT

TABLE OF CONTENTS

	Page
Article I INTERPRETATION	1
Article II REPRESENTATIONS AND WARRANTIES	5
Article III EFFECTIVENESS; CONDITIONS PRECEDENT	7
Article IV AMENDMENTS AND CONFIRMATIONS	7
Article V MISCELLANEOUS	9
Article VI GOVERNING LAW	11
Article VII LIMITATION ON RECOURSE AND NON-PETITION	11
Appendix 1 Form of Effective Date Confirmation	A1-1
Appendix 2 Conditions Precedent	A2-1
Appendix 3 Installment Payments and Advance Payments.....	A3-1
Appendix 4 Aircraft Description	A4-1
Appendix 5 Purchase Price and Scheduled Delivery Periods.....	A5-1

This ASSIGNED PURCHASE AGREEMENT AMENDMENT dated as of April [___], 2021 (as amended, supplemented and modified from time to time, this “**Amendment**”), is made between:

- (1) MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED, a private company limited by shares incorporated in Ireland (“**Purchaser**”);
- (2) THE BOEING COMPANY, a Delaware corporation (“**Boeing**”); and
- (3) AEROVÍAS DE MÉXICO, S.A. DE C.V., a limited liability company (*sociedad anónima de capital variable*) organized and existing under the laws of Mexico (“**AMX**”);

The parties to this Amendment hereby agree as follows:

ARTICLE I

INTERPRETATION

Section 1.1 **Definitions.** Capitalized terms not otherwise defined herein shall have the meanings ascribed in the Assigned Purchase Agreement. For purposes of this Amendment, the following terms shall have the meanings indicated below:

“**Agency Agreement**” means the letter agreement dated October 27, 2017 Purchaser, AMX and acknowledged and consented to by Boeing.

“**Agency Agreement Amendment**” means the letter agreement dated on or about the date hereof and executed or to be executed, as applicable, by Purchaser and AMX and consented to or to be consented to, as applicable, by Boeing.

“**AGTA**” means the Aircraft General Terms Agreement AGTA-AMX dated November 1, 2002 between Boeing and AMX.

“**Aircraft MSN [REDACTED]**” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“**Aircraft MSN [REDACTED]**” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“**Aircraft MSN 43718**” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“**Aircraft MSN 43719**” means the Boeing model 737[REDACTED] aircraft bearing manufacturer’s serial number [REDACTED].

“**Aircraft MSN [REDACTED]**” means the Aircraft bearing manufacturer’s serial number [REDACTED].

“Aircraft MSN [REDACTED] means the Aircraft bearing manufacturer’s serial number [REDACTED].

“Aircraft MSN [REDACTED] means the Boeing model 737[REDACTED] aircraft bearing manufacturer’s serial number [REDACTED].

“Aircraft MSN [REDACTED] means the Aircraft bearing manufacturer’s serial number [REDACTED].

“**Aircraft MSN [REDACTED]**” means the Aircraft bearing manufacturer serial number [REDACTED].

“**Amendment Documents**” means this Amendment, the Effective Date Confirmation, the IPA Amendment, the New PAA, the Agency Agreement Amendment, the Reassignment Agreement and the Consent Amendment.

“**Assigned Purchase Agreement**” means the Purchase Agreement as assigned absolutely by AMX to Purchaser pursuant to the Purchase Agreement Assignment.

“**Bankruptcy Cases**” means the Chapter 11 cases commenced by AMX and certain affiliates on June 30, 2020 under the lead case no. 20-11563 with the Bankruptcy Court.

“**Bankruptcy Court**” means the United States Bankruptcy Court for the Southern District of New York.

“**Bankruptcy Court Order**” means an order entered by the Bankruptcy Court substantially in the form of Exhibit 1 (*Bankruptcy Court Order*) or otherwise in form and substance acceptable to the parties hereto and PAAL Cetus.

“**Boeing Consent**” means the Boeing Consent to Collateral Assignment of Purchase Agreement Rights dated as of October 27, 2017 among Purchaser as assignor, Security Trustee as assignee and Boeing.

“**Clover**” means Clover Aircraft Leasing Company Limited, formerly known as Ping An Aircraft Leasing Company Limited.

“**Consent Amendment**” means Amendment No. 1 to Boeing Consent to Collateral Assignment of Purchase Agreement Rights dated on or about the date hereof and executed or to be executed, as applicable, by Purchaser, Security Trustee and Boeing.

“**Effective Date**” has the meaning provided in Section 3.2 (*Conditions to Effective Date*).

“**Effective Date Confirmation**” means the Effective Date Confirmation substantially in the form of Appendix 1 (*Form of Effective Date Confirmation*) and executed or to be executed, as applicable, by the parties hereto.

“**Final Order**” means an order or judgment, the operation or effect of which has not been reversed, stayed, modified, or amended, and as to which order or judgment (or any reversal, stay, modification, or amendment thereof) (a) the time to appeal, seek certiorari, or request reargument or further review or rehearing has expired and no appeal, petition for certiorari, or request for reargument or further review or rehearing has been timely filed, or (b) any appeal that has been or may be taken or any petition for certiorari or request for reargument or further review or rehearing that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed, from which certiorari was sought, or to which the request was made, and no further appeal or petition for certiorari or request for reargument or further review or rehearing has been

or can be granted; provided, however, with respect to either of the foregoing, no order or judgment shall fail to be a final order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be filed with respect to such order or judgment.

“Guaranty” means the Guaranty Agreement dated as of October 27, 2017 made by AMX in favor of Boeing.

“IPA Amendment” means the Installment Purchase Agreement Amendment dated on or about the date hereof and executed or to be executed, as applicable, by, PAAL Cetus as purchaser, Purchaser as seller, AMX and Clover amending the Installment Purchase Agreement dated as of October 27, 2017 among such parties.

“New PAA” means the Purchase Agreement Assignment dated on or about the date hereof in respect of Aircraft MSN [REDACTED] and Aircraft [REDACTED] and executed or to be executed, as applicable, by AMX as assignor and Purchaser as assignee and consented to or to be consented to, as applicable, by the Manufacturer pursuant to the Boeing’s consent, agreement and release dated on or about the date hereof and made or to be made, as applicable, by Boeing.

“Purchase Agreement” means Purchase Agreement [REDACTED] dated November 5, 2012 between Boeing and AMX under which AMX has agreed to purchase certain Boeing Model 737 MAX [REDACTED] and 737 MAX [REDACTED] aircraft incorporating the AGTA.

“PAAL Cetus” means PAAL Cetus Company Limited.

“Purchase Agreement Assignment” means the Purchase Agreement Assignment date as of October 27, 2017 between AMX as assignor and Purchaser as assignee as consented to by Boeing.

“Reassignment Agreement” means the reassignment agreement in respect of Aircraft MSN [REDACTED] dated on or about the date hereof between Purchaser, AMX and Boeing.

“Scheduled Delivery Month” means for any Undelivered Aircraft, the month set forth opposite such Undelivered Aircraft on Appendix 3.

“Security Trustee” means PAAL Cetus as security trustee under the Mortgage and Security Agreement dated October 27, 2017 between Purchaser as assignor and grantor and PAAL Cetus as assignee and security trustee.

“Undelivered Aircraft” means Aircraft MSN [REDACTED], Aircraft MSN [REDACTED], Aircraft MSN [REDACTED], Aircraft MSN [REDACTED], Aircraft MSN [REDACTED], Aircraft MSN [REDACTED] and Aircraft MSN [REDACTED].

Section 1.2 **Construction.** Headings are to be ignored in construing this Amendment and unless the contrary intention is stated, a reference to:

(a) the definitions set forth in Section 1.1 (*Definitions*) shall apply equally to both the singular and plural forms of the terms defined;

(b) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms;

(c) the words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation”;

(d) this “Amendment”, any other Amendment Document or any other agreement or instrument is a reference to this Amendment, such other Amendment Document or such other agreement or instrument as amended, novated, supplemented, extended or restated from time to time; and

(e) a Section or an Appendix is to a section of or an appendix to this Amendment.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 **Purchaser Representations and Warranties.** Purchaser represents and warrants to Boeing and AMX that the following statements are on the date hereof and upon the date the Bankruptcy Court Order becomes a Final Order true and accurate:

(a) Purchaser is a private company limited by shares, duly incorporated under the laws of Ireland and has the company power to own its assets and carry on its business as it is being conducted.

(b) Purchaser has all requisite company power and authority and all necessary consents, approvals, authorizations, orders, registrations, qualifications, licenses and permits of and from all public regulatory or governmental agencies and bodies, to enter into all Amendment Documents to which it is, or will be, a party and to perform its obligations thereunder.

(c) This Amendment and each of the other Amendment Documents to which Purchaser is a party have been duly authorized, executed and delivered by Purchaser, and each of this Amendment and such other Amendment Documents constitutes Purchaser’s legal, valid and binding obligation, enforceable against Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or other laws affecting creditors’ rights generally and general principles of equity.

(d) The entry into and performance by Purchaser of, and the transactions contemplated by, the Amendment Documents to which it is a party do not conflict with (i) any law

applicable to it, (ii) the constitutional documents of Purchaser or (iii) any agreement or instrument binding upon it or any of its assets.

Section 2.2 Boeing Representations and Warranties. Boeing represents and warrants to Purchaser and AMX that the following statements are on the date hereof and upon the date the Bankruptcy Court Order becomes a Final Order true and accurate:

(a) Boeing is a company duly incorporated under the laws of Delaware and has the corporate power to own its assets and carry on its business as it is being conducted.

(b) Boeing has all requisite corporate power and authority and all necessary consents, approvals, authorizations, orders, registrations, qualifications, licenses and permits of and from all public regulatory or governmental agencies and bodies, to enter into all Amendment Documents to which it is, or will be, a party and to perform its obligations thereunder.

(c) This Amendment and each of the other Amendment Documents to which Boeing is a party have been duly authorized, executed and delivered by it, and each of this Amendment and such other Amendment Documents constitutes Boeing's legal, valid and binding obligation, enforceable against Boeing in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or other laws affecting creditors' rights generally and general principles of equity.

(d) The entry into and performance by Boeing of, and the transactions contemplated by, the Amendment Documents to which it is a party do not conflict with (i) any law applicable to it, (ii) the constitutive documents of Boeing or (iii) any agreement or instrument binding upon it or any of its assets.

Section 2.3 AMX Representations and Warranties. AMX represents and warrants to Boeing and Purchaser that the following statements are on the date hereof and upon the date the Bankruptcy Court Order becomes a Final Order true and accurate:

(a) AMX is a limited liability company (*sociedad anónima de capital variable*) duly incorporated under the laws of Mexico and has the company power to own its assets and carry on its business as it is being conducted.

(b) Subject to entry of the Bankruptcy Court Order (which shall be a Final Order), AMX has all requisite company power and authority and all necessary consents, approvals, authorizations, orders, registrations, qualifications, licenses and permits of and from all public regulatory or governmental agencies and bodies, to enter into all such Amendment Documents and to perform its obligations thereunder.

(c) Subject to entry of the Bankruptcy Court Order (which shall be a Final Order), this Amendment and each of such other Amendment Document have been duly authorized, executed and delivered by AMX, and each of this Amendment and such other Amendment Documents constitutes AMX's legal, valid and binding obligation, enforceable against AMX in

accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or other laws affecting creditors' rights generally and general principles of equity.

(d) The entry into and performance by AMX of, and the transactions contemplated by, the Amendment Documents to which it is a party do not conflict with (i) any law applicable to it, (ii) the constitutional documents of AMX or (iii) any agreement or instrument binding upon it or any of its assets.

ARTICLE III EFFECTIVENESS; CONDITIONS PRECEDENT

Section 3.1 **Condition to Effectiveness of this Amendment.** This Amendment shall become effective when the Bankruptcy Court Order becomes a Final Order.

Section 3.2 **Conditions to Effective Date.** The agreements and confirmations set forth in Article IV (*Amendments and Confirmations*) shall become effective on the date (the "**Effective Date**") when (a) the conditions set forth in Part A (*Purchaser Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) have been satisfied or waived by Purchaser, (b) the conditions set forth in Part B (*Boeing Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) have been satisfied or waived by Boeing, and (c) the conditions set forth in Part C (*AMX Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) have been satisfied or waived by AMX and the condition set forth in Section 3.1 has been fulfilled. Each of the parties hereto shall execute and deliver the Effective Date Confirmation confirming that the Effective Date has occurred when it is satisfied that such conditions for its benefit have been satisfied or waived by it.

ARTICLE IV AMENDMENTS AND CONFIRMATIONS

Section 4.1 **Confirmation of Aircraft, Installment Payments and Advance Payments.** Subject to and upon the occurrence of the Effective Date:

(a) (i) Purchaser will reassign absolutely to AMX pursuant to the Reassignment Agreement all rights under the Assigned Purchase Agreement in respect of Aircraft MSN [REDACTED], including the right to purchase such aircraft, (ii) AMX will assign absolutely to Purchaser pursuant to the New PAA such rights under the Purchase Agreement in respect of Aircraft MSN [REDACTED] and Aircraft MSN [REDACTED] which are equivalent to the rights assigned by AMX to Purchaser with respect to the other Undelivered Aircraft, including the right to purchase such Aircraft, and (iii) all obligations of Purchaser to purchase Aircraft MSN [REDACTED] and all obligations of Manufacturer to sell such Aircraft under the Assignment Purchase Agreement shall be terminated;

(b) all references to the manufacturer's serial number "[REDACTED]", in the Assigned Purchase Agreement and the Guaranty shall be amended to references to manufacturer's serial number "[REDACTED]";

(c) all references to the manufacturer's serial number "[REDACTED]", in the Assigned Purchase Agreement and the Guaranty shall be amended to references to manufacturer's serial number "[REDACTED]";

(d) (i) all advance payments previously paid in respect of Aircraft MSN[REDACTED];

(e) notwithstanding any provision of the Assigned Purchase Agreement to the contrary, the aircraft remaining subject to the Assigned Purchase Agreement as amended hereby and the amount of the advance payments held by Boeing on behalf of Purchaser in respect of each such Undelivered Aircraft and the scheduled months of delivery for each such Undelivered Aircraft are set forth on Appendix 3 (*Scheduled Delivery Month and Advance Payment Balances for Undelivered Aircraft*) and the scheduled months of delivery cannot be amended, supplemented, waived or otherwise modified without the prior written consent of Purchaser, AMX and Security Trustee; and

(f) Boeing acknowledges that the last two advance payments for Aircraft MSN [REDACTED].

Section 4.2 **Termination Rights.**

(a) As of the Effective Date, Purchaser waives all termination rights for the Undelivered Aircraft for delay except as provided in the Assigned Purchase Agreement. For the avoidance of doubt, Purchaser shall have the rights and remedies available to it under the Purchase Agreement in the event of delays in delivery or failure to deliver an Undelivered Aircraft based on its revised Scheduled Delivery Month (as such Scheduled Delivery Month may be revised from time to time with the written consent of Purchaser, Boeing and AMX); provided, however, such rights and remedies do not apply to the extent any delay in delivery or failure to deliver an Undelivered Aircraft is attributable to Purchaser.

(b) [REDACTED];

(c) In the event delivery of an Undelivered Aircraft is terminated pursuant to Section 4.2(b), Boeing shall promptly pay to the Purchaser all advance payments in respect of such Undelivered Aircraft.

(d) [REDACTED].

(e) Termination of delivery of an Undelivered Aircraft under this Section 4.2 will discharge all obligations and liabilities of Boeing and Purchaser with respect to such Undelivered Aircraft, and all related undelivered Materials (as defined in Exhibit B, Customer Support Document of the AGTA), training, services, and other things terminated under the Assigned Purchase Agreement and this Amendment, except for the rights and obligations under

this Amendment and the Assigned Purchase Agreement regarding the non-disclosure of confidential information shall survive such termination.

Section 4.3 **Undelivered Aircraft Escalation Adjustment.** [REDACTED].

Section 4.4 **Existing Defaults.** Boeing agrees that any and all defaults under the Assigned Purchase Agreement have been cured or waived.

Section 4.5 **Guarantee Confirmations.** Subject to approval by the Bankruptcy Court of the transactions contemplated by the Amendment Documents, AMX hereby confirms that it assumes the Guaranty and the Guarantee remains in full force and effect with respect to the guaranty of the obligations of Purchaser under the Assigned Purchase Agreement and the Purchase Agreement Assignment as modified and amended by the Amendment Documents. All references to scheduled delivery months or periods for each Undelivered Aircraft in the definition of "Aircraft" in the Guaranty shall be amended to the Scheduled Delivery Month for that Undelivered Aircraft set forth in Appendix 3.

Section 4.6 **No Other Amendments; Assigned Purchase Agreement Continuing.** Other than as provided in this Amendment, the terms and conditions of the Assigned Purchase Agreement remain unchanged and shall continue in full force and effect.

ARTICLE V

MISCELLANEOUS

Section 5.1 **No Assignment.** The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. None of Purchaser, Boeing and AMX shall assign or transfer all or any of its rights and/or obligations under this Amendment without the prior written consent of each of the other parties hereto; except that Purchaser may collaterally assign its rights hereunder to Security Trustee.

Section 5.2 **Counterparts.** This Amendment may be executed in any number of separate counterparts and each counterpart shall when executed and delivered be an original document but all counterparts shall together constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by fax or email will be deemed as effective as delivery of an originally executed version.

Section 5.3 **Notices.** The provisions of Article 11 of the AGTA are hereby incorporated into this Amendment *mutatis mutandis*; provided that the notice details for Purchaser and for AMX shall be:

for Purchaser:

Mexican Dragon Aircraft Holdings Limited
First Floor
118 Lower Baggot Street
Dublin 2
Ireland

Attention: The Directors
Fax: +353 (0)1 4866601
Email: adie-cms-a@alterdomus.com

with a copy to AMX; and

for AMX:

Aerovías de México, S.A. de C.V.
Paseo de la Reforma, 445
Colonia Cuauhtemoc
Mexico, DF 06500
Mexico
Attention: SVP Legal and General Counsel
Facsimile: 52-55-9132-5079
Email: malvarez@aeromexico.com.

Section 5.4 Amendments in Writing. This Amendment shall not be amended or supplemented, or any provision hereof waived, without the consent in writing of each party.

Section 5.5 Illegality. If any part of this Amendment becomes invalid, illegal or unenforceable under any applicable law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected.

Section 5.6 Whole Agreement. This Amendment and the other Amendment Documents constitute the entire agreement between the parties hereto in relation to the amendment of the Assigned Purchase Agreement as contemplated herein and matters related thereto and supersede all previous proposals, representations, amendments and other written and oral communications in relation thereto.

Section 5.7 Costs and Expenses. AMX shall pay its own and Purchaser's costs and expenses (including legal fees) in connection with the negotiation of this Amendment and the other Amendment Documents as may be required to obtain the Bankruptcy Court's approval thereof, and Boeing shall pay its own costs and expenses (including legal fees) in connection with the negotiation of this Amendment and the other Amendment Documents as may be required to obtain the Bankruptcy Court's approval thereof.

Section 5.8 Disclosure. Notwithstanding any provision of the IPA or any other Transaction Document to the contrary, AMX may disclose this Amendment and any other Amendment Document (a) as may be required to obtain the Bankruptcy Court's approval of this Amendment or the other Amendment Documents; or (b) to the U.S. Trustee, the Unsecured Creditors Committee or the entities providing the debtor-in-possession financing to AMX, its Affiliates and any of their respective related Persons.

Section 5.9 Electronic Signatures. In connection with the performance of their respective duties hereunder, each party may give notices, consents, directions, approvals, instructions and requests to, and otherwise communicate with, each other using electronic means,

including email transmission to such email addresses as each such party shall designate to the other parties, and, if necessary or if requested by the other party or parties, with an “electronic signature” or other “electronic record” (as such terms are defined in the New York State Electronic Signatures and Records Act). Delivery of an executed counterpart of this Amendment or any other Amendment Document by facsimile, email, “electronic signature” or other “electronic record” will be deemed as effective as delivery of an originally executed counterpart. Any party delivering an executed counterpart of this Amendment or any other Amendment Document by facsimile, email, “electronic signature” or other “electronic record” will also deliver an originally executed counterpart thereof, but the failure of any party to deliver an originally executed counterpart of this Amendment or any other Amendment Document will not affect the validity or effectiveness of this Amendment or such other Amendment Document.

ARTICLE VI

GOVERNING LAW

THIS AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF WASHINGTON, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, PROVIDED THAT WASHINGTON’S CHOICE OF LAW RULES SHALL NOT BE INVOKED OR USED FOR THE PURPOSE OF APPLYING, OR IF THE RESULT WOULD BE THE APPLICATION OF, THE LAW OF ANOTHER JURISDICTION.

ARTICLE VII

LIMITATION ON RECOURSE AND NON-PETITION

Section 7.1 Notwithstanding any other provision of this Amendment to the contrary:

(a) Neither AMX nor Boeing shall institute against, or join any other Person in instituting against, Purchaser, any bankruptcy, reorganization, arrangement, insolvency, examinership, winding-up, moratorium or liquidation proceedings, or other similar proceedings under Irish law, or the laws of any other applicable jurisdiction;

(b) without prejudice to Section 4.5 (*Guarantee Confirmations*), the obligations of Purchaser to AMX and Boeing under and in connection with this Amendment and the other Amendment Documents shall be limited recourse obligations payable solely from the available assets of Purchaser. No recourse shall be had against any shareholder, employee, officer, director or agent of Purchaser under or in connection with this Amendment, it being understood and agreed that the obligations of Purchaser hereunder are corporate obligations; and

(c) this Article VII shall survive the termination of this Amendment and the Assigned Purchase Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF this Amendment has been signed on the day and year first above written.

PURCHASER
MEXICAN DRAGON AIRCRAFT HOLDINGS
LIMITED

By: _____
Name:
Title:

AMX
AEROVÍAS DE MÉXICO, S.A. DE C.V.

By: _____
Name:
Title:

By: _____
Name:
Title:

BOEING
THE BOEING COMPANY

By: _____
Name:
Title:

Appendix 1

Form of Effective Date Confirmation

EFFECTIVE DATE CONFIRMATION

Dated: _____, 2021

The undersigned hereby agree as follows:

1. This Effective Date Confirmation is entered into for purposes of the Assigned Purchase Agreement Amendment, dated as of April [], 2021 (the “**Amendment**”), among the undersigned.
2. Terms used in this Effective Date Confirmation shall have the meanings given to them in the Amendment.
3. Purchaser hereby confirms that as of the date hereof all conditions precedent in its favor set out in Part A (*Purchaser Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) of the Amendment have been satisfied or are hereby waived by Purchaser.
4. Boeing hereby confirms that as of the date hereof all conditions precedent in its favor set out in Part B (*Boeing Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) of the Amendment have been satisfied or are hereby waived by Boeing.
5. AMX hereby confirms that as of the date hereof all conditions precedent in its favor set out in Part C (*AMX Conditions Precedent to Effective Date*) of Appendix 2 (*Conditions Precedent*) of the Amendment have been satisfied or are hereby waived by AMX.
6. The Effective Date is the date of this Effective Date Confirmation.
7. This Effective Date Confirmation shall in all respects be governed by, and construed in accordance with, the laws of the State of Washington, including all matters of construction, validity and performance, but excluding the conflict of laws provisions thereof.
8. This Effective Date Confirmation may be executed in any number of counterparts, each of which when so executed shall be deemed an original, and such counterparts together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Effective Date Confirmation by telecopy or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Effective Date Confirmation.

PURCHASER
MEXICAN DRAGON AIRCRAFT HOLDINGS
LIMITED

By: _____
Name:
Title:

AMX
AEROVÍAS DE MÉXICO, S.A. DE C.V.

By: _____
Name:
Title:

By: _____
Name:
Title:

BOEING
THE BOEING COMPANY

By: _____
Name:
Title:

Appendix 2

Conditions Precedent

Part A

Purchaser Conditions Precedent to Effective Date

1. Purchaser shall have received a copy of (a) the constitutional documents of Boeing, (b) the resolutions of the board of directors of Boeing (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of Purchaser the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which Purchaser is a party and (c) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Boeing, certified by an officer of Boeing to be true and correct.
2. Purchaser shall have received a copy of (a) the constitutional documents of AMX, (b) the resolutions of the board of directors of AMX (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of AMX the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which AMX is a party, (c) if applicable, a power of attorney issued by or on behalf of AMX, authorizing the execution by the attorneys named therein of the Amendment Documents to which AMX is a party, and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of AMX, certified by an officer of AMX to be true and correct.
3. The representations and warranties given by Boeing and AMX in the Amendment Documents to which they are a party are true and correct.
4. Purchaser shall be reasonably satisfied that all necessary or advisable consents, registrations, filings, approvals, licenses and authorizations shall have been obtained in connection with Boeing's and AMX's execution, delivery and performance of their respective obligations under Amendment Documents to which they are a party.
5. The Bankruptcy Court Order shall be a Final Order.

Each of the Amendment Documents and the Effective Date Confirmation as defined in the IPA Amendment shall have been duly authorized, executed and delivered by the party or parties thereto (other than Purchaser), and shall each be satisfactory in form and substance to Purchaser and shall be in full force and effect.

Part B
Boeing Conditions Precedent to Effective Date

1. Boeing shall have received a copy of (a) the constitutional documents of Purchaser, (b) the resolutions of the board of directors of Purchaser (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of Purchaser the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which Purchaser is a party, (c) if applicable, a power of attorney issued by or on behalf of Purchaser, authorizing the execution by the attorneys named therein of the Amendment Documents to which Purchaser is a party and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Purchaser, certified by an officer of Purchaser to be true and correct.
2. Boeing shall have received a copy of (a) the constitutional documents of AMX, (b) the resolutions of the board of directors of AMX (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of AMX the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which AMX is a party, (c) if applicable, a power of attorney issued by or on behalf of AMX, authorizing the execution by the attorneys named therein of the Amendment Documents to which AMX is a party, and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of AMX, certified by an officer of AMX to be true and correct.
3. The representations and warranties given by AMX and Purchaser in the Amendment Documents to which they are a party are true and correct.
4. Boeing shall be reasonably satisfied that all necessary or advisable consents, registrations, filings, approvals, licenses and authorizations shall have been obtained in connection with AMX's and Purchaser's execution, delivery and performance of their respective obligations under Amendment Documents to which they are a party.
5. Boeing shall be reasonably satisfied that each of AMX and Purchaser have received all regulatory and statutory approvals required for the execution, delivery and performance of its obligations under the Amendment Documents to which it is a party.
6. The Bankruptcy Court Order shall be a Final Order.
7. Each of the Amendment Documents shall have been duly authorized, executed and delivered by the party or parties thereto (other than Boeing), shall each be satisfactory in form and substance to Boeing and shall be in full force and effect.

Part C
AMX Conditions Precedent to Effective Date

1. AMX shall have received a copy of (a) the constitutional documents of Purchaser, (b) the resolutions of the board of directors of Purchaser (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of Purchaser the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which Purchaser is a party, (c) if applicable, a power of attorney issued by or on behalf of Purchaser, authorizing the execution by the attorneys named therein of the Amendment Documents to which Purchaser is a party and (d) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Purchaser, certified by an officer of Purchaser to be true and correct.
2. AMX shall have received a copy of (a) the constitutional documents of Boeing, (b) the resolutions of the board of directors of Boeing (i) approving the transactions contemplated by the Amendment Documents and (ii) authorizing a Person or Persons to execute and deliver on behalf of Boeing the Amendment Documents and any notices or other documents to be given pursuant thereto, in each case to which Boeing is a party (c) specimens of the signatures of each Person that executes any of the Amendment Documents on behalf of Seller, certified by an officer of Boeing to be true and correct.
3. The representations and warranties given by each of Purchaser and Boeing in the Amendment Documents to which it is a party are true and correct.
4. AMX shall be reasonably satisfied that all necessary or advisable consents, registrations, filings, approvals, licenses and authorizations shall have been obtained in connection with Purchaser's and Boeing's execution, delivery and performance of their respective obligations under Amendment Documents to which they are a party.
5. AMX shall be reasonably satisfied that of Boeing and Purchaser has received all regulatory and statutory approvals required for the execution, delivery and performance of its obligations under the Amendment Documents to which it a party.
6. The Bankruptcy Court Order shall be a Final Order.
7. Each of the Amendment Documents and the Effective Date Confirmation as defined in the IPA Amendment shall have been duly authorized, executed and delivered by the party or parties thereto (other than AMX), shall each be satisfactory in form and substance to AMX and shall be in full force and effect.

Appendix 3

Scheduled Delivery Month and Advance Payment Balances for Undelivered Aircraft

Airframe Manufacturer / Model		
Boeing 737 Max [REDACTED]		
MSN	Scheduled Delivery Month	Advance Payments
[REDACTED]	[REDACTED]	[REDACTED]

Airframe Manufacturer / Model		
Boeing 737 Max 9		
MSN	Scheduled Delivery Month	Advance Payments
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Annex 5

Purchase Agreement Assignment

**PURCHASE AGREEMENT
ASSIGNMENT**

dated as of April [], 2021

between

AEROVÍAS DE MÉXICO, S.A. DE C.V.
as Assignor

and

MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED
as Assignee

As Consented and Agreed to
by The Boeing Company

Relating to Two (2) Boeing Model 737 MAX [REDACTED] Aircraft bearing
MSNs [REDACTED] under Purchase Agreement No. 3813

Purchase Agreement Assignment
[REDACTED]

This PURCHASE AGREEMENT ASSIGNMENT (this “**Agreement**”) dated as of April [], 2021 between AEROVÍAS DE MÉXICO, S.A. DE C.V., a limited liability company (*sociedad anónima de capital variable*) organized and existing under the laws of Mexico, as assignor (“**Assignor**”), and MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED, a private company limited by shares incorporated under the laws of Ireland, as assignee (“**Assignee**”).

WITNESSETH:

WHEREAS, Assignor and The Boeing Company (“**Manufacturer**”) are parties to that certain Purchase Agreement No. 3813, dated November 5, 2012 (the “**2012 Purchase Agreement**”) and to that certain aircraft general terms agreement AGTA-AMX, dated November 1, 2002 (the “**AGTA**” and together with the 2012 Purchase Agreement, collectively, the “**Purchase Agreement**”), pursuant to which Manufacturer has agreed, among other things, to manufacture and sell to Assignor, and Assignor has agreed, among other things, to purchase, certain aircraft, engines and related equipment including those two (2) certain Boeing Model 737 MAX-9 aircraft currently assigned manufacturer’s serial numbers [REDACTED] and scheduled for delivery in February, 2022 and March, 2022, respectively (the “**Additional Aircraft**”) which have not yet been delivered to Assignor under the Purchase Agreement;

WHEREAS, Assignee and Manufacturer are parties to that certain Purchase Agreement as assigned to and assumed by Assignee pursuant to that certain Purchase Agreement Assignment dated as of October 27, 2017 between Assignor and Assignee and consented and agreed to by Manufacturer (the “**Original PAA**” and the Purchase Agreement as so assigned collectively, the “**Original APA**”), pursuant to which the Manufacturer has agreed, among other things, to manufacture and sell to Assignee, and Assignee has agreed, among other things, to purchase, [REDACTED] Boeing Model 737 MAX [REDACTED] aircraft currently assigned manufacturer’s serial numbers [REDACTED] (the “**Original Aircraft**”) and only the Original Aircraft bearing manufacturer’s serial number [REDACTED] have been delivered to Assignee under the Original APA;

WHEREAS, Assignor wishes to transfer and assign to Assignee certain of Assignor's rights and interests in and to the Additional Aircraft under the Purchase Agreement which are equivalent to the rights assigned by Assignor to Assignee with respect to the Original Aircraft (to the extent such Purchase Agreement relates to the Additional Aircraft, and as provided below in Section 1), and Assignor further wishes to divest itself of, and be released from, all its obligations and liabilities under the Purchase Agreement with respect to the Additional Aircraft (except as otherwise provided herein);

Purchase Agreement Assignment
[REDACTED]

WHEREAS, Assignee wishes to acquire rights and interests in and to the Additional Aircraft as so assigned and to assume Assignor's obligations and liabilities under the Purchase Agreement with respect to the Additional Aircraft;

WHEREAS, Assignee will reassign absolutely to Assignor all rights under the Original PAA in respect of Aircraft MSN [REDACTED];

WHEREAS, all obligations of Assignee to purchase Aircraft MSN [REDACTED] and all obligations of Manufacturer to sell such aircraft under the Original APA shall be terminated;

WHEREAS, all advance payments previously paid in respect of Aircraft MSN [REDACTED] and Aircraft [REDACTED] shall be deemed to be advance payments for Aircraft MSN [REDACTED] respectively, and shall be applied to the payment of the purchase price of Aircraft [REDACTED] and Aircraft [REDACTED], respectively

WHEREAS, Manufacturer, pursuant to the Manufacturer's Consent and Agreement attached hereto, is prepared to consent to such assignment, assumption and release on the terms and conditions hereafter set forth; and

WHEREAS, on the Effective Date as defined below, Assignee, Assignor and Manufacturer will amend the Original APA pursuant to the Assigned Purchase Agreement Amendment dated as of the date hereof among Assignee, Assignor and Manufacturer to, among other things, include the Additional Aircraft and the rights and obligations under the Purchase Agreement as assigned and assumed under this Agreement and in the Original APA (the "**Assigned Purchase Agreement Amendment**" and the Original APA as so amended, the "**Assigned Purchase Agreement**");

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements herein contained and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. DEFINITIONS AND INTERPRETATION

(a) Definitions

Capitalized terms used, but not defined, herein shall have the respective meanings ascribed thereto in the Assigned Purchase Agreement. For purposes of this Agreement, the following terms shall have the following meanings:

"Advance Payment Amounts" means in relation to each Additional Aircraft the sum of all advance payments paid to Manufacturer under the Purchase Agreement

Purchase Agreement Assignment
[REDACTED]

or otherwise in relation to such Additional Aircraft up to and including the Effective Date as separately agreed by the Manufacturer.

“Bankruptcy Cases” means the Chapter 11 cases and proceedings initially filed by Assignor and certain affiliates under the lead case no. 20-11563 with the Bankruptcy Court and all affiliated and associated filings and proceedings in any other court or jurisdiction relating to such cases.

“Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of New York.

“Bankruptcy Court Order” has the meaning provided in the Assigned Purchase Agreement Amendment.

“Consent Agreement” means that certain Consent to Collateral Assignment of Purchase Agreement Rights relating to the Security Agreement, dated as of October 27, 2017, among Assignee, Assignor, Manufacturer and Security Trustee.

“Effective Date” means the date specified in the Effective Date Confirmation after the Bankruptcy Order becomes a Final Order as being the date upon which the transactions contemplated by this Agreement shall be deemed to occur.

“Effective Date Confirmation” has the meaning given to it in the Assigned Purchase Agreement Amendment.

“Final Order” means an order or judgment, the operation or effect of which has not been reversed, stayed, modified, or amended, and as to which order or judgment (or any reversal, stay, modification, or amendment thereof) (a) the time to appeal, seek certiorari, or request reargument or further review or rehearing has expired and no appeal, petition for certiorari, or request for reargument or further review or rehearing has been timely filed, or (b) any appeal that has been or may be taken or any petition for certiorari or request for reargument or further review or rehearing that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed, from which certiorari was sought, or to which the request was made, and no further appeal or petition for certiorari or request for reargument or further review or rehearing has been or can be granted; provided, however, with respect to either of the foregoing, no order or judgment shall fail to be a final order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be filed with respect to such order or judgment.

“Guaranty” means the Guaranty Agreement dated as of October 27, 2017, between Assignor and Manufacturer.

Purchase Agreement Assignment
[REDACTED]

“Installment Purchase Agreement” means the Installment Purchase Agreement, dated as of October 27, 2017, among, *inter alios*, Assignee, Assignor and Security Trustee, as purchaser.

“Lien” means: (a) any mortgage, charge, pledge, assignment, title retention, lien or other encumbrance securing any obligation of any person or any other agreement or arrangement having a similar effect; or (b) any agreement to give any of the foregoing.

“Purchasers” has the meaning ascribed to it in the Installment Purchase Agreement.

“Security Agreement” means the Mortgage and Security Agreement, dated as of October 27, 2017, between Assignee as assignor and grantor and Security Trustee as assignee for the benefit of the Purchasers.

“Security Trustee” means [REDACTED] as security trustee under the Security Agreement.

“Share Mortgage” means the Share Mortgage, dated as of October 27, 2017, between [REDACTED] as mortgagor and Security Trustee as mortgagee concerning the shares of Assignee.

(b) Interpretation

In this Agreement:

1. references to sections, paragraphs or clauses are to be construed as references to the sections, paragraphs and clauses of this Agreement;
2. references to this Agreement (or to any specified provisions of this Agreement) or any other document shall be construed as references to this Agreement, that provision or that document as in force for the time being and as amended in accordance with its terms, or, as the case may be, with the agreement of the relevant parties;
3. words importing the plural shall include the singular and vice versa;
4. headings to sections are for convenience only and are to be ignored in construing this Agreement;
5. references to a person shall be construed as including references to an individual, firm, company, corporation, unincorporated body of persons or any state or any agency thereof and shall include references to its successors, permitted transferees and permitted assigns;

Purchase Agreement Assignment
[REDACTED]

6. references to any statute or statutory provision include any statute or statutory provision which amends, extends, consolidates or replaces the same, or which has been amended, extended, consolidated or replaced by the same, and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute;

7. liability includes any obligation or liability (whether present or future, actual or contingent, secured or unsecured, as principal or surety or otherwise);

8. the words other and otherwise shall not be construed ejusdem generis with any foregoing words where a wider construction is possible; and

9. the words herein, hereof and hereunder, and words of similar import shall be construed to refer to a document in its entirety and not to any particular provision of such document.

SECTION 2. ASSIGNMENT, ASSUMPTION AND RELEASE

Subject to and upon occurrence of the Effective Date:

(a) Assignment

Effective on the Effective Date and subject to Section 2(c) and 2(d), Assignor does hereby sell, assign, transfer, convey and set over to the Assignee all of Assignor's right, title and interest under, in and to, and all of Assignor's obligations, duties, covenants, indemnities and liabilities under, the Purchase Agreement as and to the extent the same relates to the Additional Aircraft including, without limitation and except as otherwise provided herein (i) the right to purchase and take title to the Additional Aircraft, and (ii) the obligations of Assignor to purchase and take title to the Additional Aircraft and to pay the outstanding balance of the purchase price thereof. Assignor and the Assignee hereby acknowledge and agree that (x) the sale and assignment effected by this Agreement is not made for security purposes but is absolute, unconditional and irrevocable and (y) this Agreement does not create or evidence the existence of and is not otherwise subject to any partnership or joint venture or similar association between Assignor and the Assignee.

(b) Assumption

Effective on the Effective Date and subject to Section 2(c) and 2(d), Assignee hereby accepts the foregoing sale, assignment, transfer and conveyance and hereby assumes and agrees to observe and perform all the obligations, duties, covenants, indemnities and liabilities of Assignor under the Assigned Purchase Agreement with respect to the Additional Aircraft (whether or not such obligations, duties, covenants, indemnities and liabilities arose prior to the execution of this

Purchase Agreement Assignment
[REDACTED]

Agreement) in every way as if the Assignee had at all times been a party to the Assigned Purchase Agreement in place of the Assignor.

(c) Application of Advance Payment Amounts

The Advance Payment Amounts were previously paid to the Manufacturer in respect of the Additional Aircraft [REDACTED] Under the Assigned Purchase Agreement, the advance payments in the amounts set forth therein for [REDACTED].

(d) Purchase Price

Notwithstanding any provision of the Purchase Agreement to the contrary, Assignee will be entitled to purchase each Additional Aircraft [REDACTED].

(d) Acknowledgement

Assignor further agrees and acknowledges that, it shall not have an option or other right or ability to have reassigned, retransferred or otherwise returned to it any of its rights, title, or interests in, to or under the Purchase Agreement assigned pursuant to clause (a) of this Section 2; and the Assignee shall be free to possess, retain and exercise all such assigned rights, title and interests without any restriction imposed by, or discretion to deal with or manage the same retained by, Assignor.

SECTION 3. ASSIGNEE'S OBLIGATIONS

(a) Assignee as Buyer

Without limiting clause (b) of Section 2, Assignee agrees for the benefit of Manufacturer and Assignor and their successors and permitted assigns that Assignee shall, from and after the Effective Date, be liable to the Manufacturer as the "Customer" and "Buyer" under the Assigned Purchase Agreement with respect to the Additional Aircraft to perform all of the duties and obligations thereunder as "Customer" and "Buyer."

(b) Assigned Purchase Agreement Terms

Notwithstanding anything contained herein to the contrary, Assignee confirms for the benefit of Manufacturer that, insofar as the provisions of the Assigned Purchase Agreement relate to the Additional Aircraft, in exercising any rights under the Assigned Purchase Agreement or with respect to other goods, services, training, data, documents or other things delivered or to be delivered pursuant to the

Purchase Agreement Assignment
[REDACTED]

Assigned Purchase Agreement, the terms and conditions of the Assigned Purchase Agreement, including, without limitation, obligations to Manufacturer under the DISCLAIMER AND RELEASE and EXCLUSION OF CONSEQUENTIAL AND OTHER DAMAGES in Article 11.2 of Exhibit C to the AGTA or the insurance provisions in Article 8.2 of the AGTA shall apply to, and be binding upon, Assignee to the same extent as if Assignee had been the original "Customer" and "Buyer" thereunder. Assignee further agrees, expressly for the benefit of Manufacturer, that at any time and from time to time upon the written request of Manufacturer, Assignee shall promptly and duly execute and deliver any and all such further assurances, instruments and documents and take all such further action as Manufacturer may reasonably request in order to obtain the full benefits of Assignee's agreements set forth in this Section 3.

SECTION 4. ADDITIONAL OBLIGATIONS AND ACKNOWLEDGEMENTS

(a) No Additional Liability of Manufacturer

Assignor and Assignee hereby acknowledge and agree, expressly for the benefit of Manufacturer, that nothing contained herein shall subject Manufacturer to any obligation or liability to which it would not otherwise be subject under the 2012 Purchase Agreement or modify in any respect the rights and interests of Manufacturer thereunder.

(b) Non-disclosure of Assigned Purchase Agreement Terms

Each of Assignor and Assignee hereby agrees, expressly for the benefit of Manufacturer, that it will not disclose the terms of the Purchase Agreement or the Assigned Purchase Agreement to any third party except (i) as required by applicable laws or governmental regulations, (ii) with the prior written consent of Manufacturer, (iii) to its accountants or financial or other professional advisors, (iv) the Purchasers and Security Trustee, (v) the Bankruptcy Court to the extent required to obtain the Bankruptcy Court Order; provided that the parties shall endeavor to have the same filed with the Bankruptcy Court under seal or otherwise redacted to the extent permitted or (vi) to the U.S. Trustee, the Unsecured Creditors Committee and the entities providing Assignor debtor in possession financing.

(c) Actual Notice to Manufacturer

Assignor and Assignee hereby agree, expressly for the benefit of Manufacturer, that for all purposes of this Agreement, Manufacturer shall not be deemed to have knowledge of and need not recognize any event, condition, right, remedy or dispute affecting the interests of Assignor or Assignee hereunder unless and until Manufacturer shall have received written notice thereof, addressed to its Vice

Purchase Agreement Assignment
[REDACTED]

President – Contracts, Boeing Commercial Airplanes at P.O. Box 3707, MC 21-34, Seattle, Washington 98124, if by mail, or to +1 (425) 237-1706, if by facsimile, and, in acting in accordance with the Assigned Purchase Agreement, Manufacturer may conclusively rely on such notice.

(d) Assignee's Agent

Assignee hereby agrees, expressly for the benefit of Manufacturer, that from and after the Effective Date, Manufacturer shall deal solely and exclusively with Assignor, as Assignee's agent, with respect to all matters relating to the Assigned Purchase Agreement.

(e) Assignor's Obligations

Specifically for the benefit of Manufacturer, for the avoidance of doubt, Assignor hereby acknowledges and agrees that Assignor is not released, and shall not be released, from any of its obligations, duties, covenants, indemnities and liabilities under the Purchase Agreement that relate to any period prior to the Effective Date; and more specifically (but without limitation), Assignor is not released from its continuing obligations to Manufacturer under (a) the DISCLAIMER AND RELEASE and EXCLUSION OF CONSEQUENTIAL AND OTHER DAMAGES in Article 11.2 of Exhibit C to the AGTA as it relates to anything provided by Manufacturer to Assignor under the Purchase Agreement prior to the Effective Date, or (ii) the confidentiality provisions in the Purchase Agreement, or (iii) the insurance provisions in Article 8.2 of the AGTA.

SECTION 5. ASSIGNOR'S REPRESENTATIONS AND WARRANTIES

Assignor hereby represents and warrants to Assignee and Manufacturer that on the date hereof and upon the date the Bankruptcy Court Order becomes a Final Order:

1. Assignor is a limited liability company (*sociedad anónima de capital variable*) organized and existing under the laws of Mexico and has the corporate power to own its assets and carry on its business as it is being conducted.
2. Subject to entry of the Bankruptcy Court Order (which shall be a Final Order), Assignor has all requisite company power and authority and all necessary consents, approvals, authorizations, orders, registrations, qualifications, licenses and permits of and from all public regulatory or governmental agencies and bodies, to enter into this Agreement and to perform its obligations hereunder;

Purchase Agreement Assignment
[REDACTED]

2. Subject to entry of the Bankruptcy Court Order (which shall be a Final Order) this Agreement has been duly authorized, executed and delivered by Assignor and constitutes the valid, legal and binding obligation of Assignor except as enforceability may be limited by applicable bankruptcy, insolvency or other laws affecting creditors' rights generally and general principles of equity;
3. Assignor's execution, delivery and performance of this Agreement require neither Assignor's shareholders' approval nor the consent or approval of, the giving notice to, the registration with or the taking of any other action in respect of any governmental authority or agency except such as have been obtained and are in full force and effect and the approval by the Bankruptcy Court of the transactions contemplated by this Agreement;
4. Assignor's execution and delivery of this Agreement, and the performance by it of its obligations hereunder, subject to entry of the Bankruptcy Court Order (which shall be a Final Order), does not, and will not, violate any provision of its constitutive documents or any provision of any applicable law in any material respect;
5. The Purchase Agreement is in full force and effect;
6. Assignor has performed all its obligations under the Purchase Agreement and no default thereunder has occurred and is continuing; and
7. Except as set forth herein, Assignor has not assigned, transferred or created any Lien in or over the Additional Aircraft, in or over the Assigned Purchase Agreement in respect of the Aircraft.

SECTION 6. ASSIGNEE'S REPRESENTATIONS AND WARRANTIES

Assignee hereby represents and warrants to Assignor and Manufacturer that on the date hereof and upon the date the Bankruptcy Court Order becomes a Final Order:

1. Assignee is a private company limited by shares incorporated under the laws of Ireland and has the power to enter into and perform, and has the company power to own its assets and carry on its business as it is being conducted;
2. Assignee has all requisite company power and authority and all necessary consents, approvals, authorizations, orders, registrations, qualifications, licenses and permits of and from all public regulatory or governmental agencies and bodies, to enter into this Agreement and to perform its obligations hereunder.

Purchase Agreement Assignment
[REDACTED]

3. This Agreement has been duly authorized, executed and delivered by Assignee, and constitutes Assignee's legal, valid and binding obligation, enforceable against Assignee in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or other laws affecting creditors' rights generally and general principles of equity.
4. Assignee's execution and delivery of this Agreement, and the performance by it of its obligations hereunder, does not, and will not, violate any provision of its constitutive documents or any provision of any applicable law in any material respect.

SECTION 7. NOTICES

The provisions of Article 11 (*Notices*) of the AGTA, forming a part of the Assigned Purchase Agreement, shall be deemed to be incorporated herein, *mutatis mutandis*. The address of Assignee for notices or requests pursuant to the Assigned Purchase Agreements is as follows:

MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED
First Floor
118 Lower Baggot Street
Dublin 2
Ireland
Attn: The Directors
Facsimile: +353 (0)1 4866601
Email: adie-cms-a@alterdomus.com

with a copy to:

Aerovías de México, S.A. de C.V.
Paseo de la Reforma, 445
Colonia Cuauhtemoc
Mexico, DF 06500
Mexico
Attn: Treasurer
Facsimile: +52 55 9132 5079

SECTION 8. MISCELLANEOUS

(a) Waiver/Severability

Failure or delay by any party to enforce any provision of this Agreement will not be construed as a waiver. If any provision of this Agreement is held unlawful or otherwise ineffective by a court of competent jurisdiction, the remainder of this Agreement will remain in effect. The rights and remedies provided in this

Purchase Agreement Assignment
[REDACTED]

Agreement are cumulative and in addition to any and all rights and remedies provided by law.

(b) Counterparts

This Agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute but one and the same instrument.

(c) Amendments

Any amendment or waiver in relation to this Agreement shall not be effective unless in writing and signed by the parties hereto.

(d) Headings

The headings for Section, clauses and paragraphs in this Agreement are for convenience of reference only and shall not be used to construe the meaning of, or affect the interpretation of, the various terms and provisions of this Agreement.

(e) Further Assurances

Each party shall, at any time and from time to time, at the cost and expense of the requesting party, promptly and duly execute and deliver any and all such further instruments and documents and take such further action as may be reasonably required in order to obtain the full benefits of this Agreement and to implement the rights and powers herein granted or contemplated hereby. In addition, each party hereby agrees, expressly for the benefit of Manufacturer, that it shall, at any time and from time to time, at its own cost and expense, promptly and duly execute and deliver any and all such further instruments and documents and take such further action as may be reasonably requested by Manufacturer in order for Manufacturer to obtain the full benefits of this Agreement and to implement the rights and powers herein granted or contemplated hereby.

(f) Governing Law

THIS AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF WASHINGTON, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, PROVIDED THAT WASHINGTON'S CHOICE OF LAW RULES SHALL NOT BE INVOKED OR USED FOR THE PURPOSE OF APPLYING, OR IF THE RESULT WOULD BE THE APPLICATION OF, THE LAW OF ANOTHER JURISDICTION.

Purchase Agreement Assignment
[REDACTED]

(g) Entire Agreement

This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, and all prior or contemporaneous understandings or agreements, whether written or oral, among any of the parties hereto with respect to such subject matter are hereby superseded in their entirety.

(h) Condition to Effectiveness of this Amendment

This Agreement shall become effective when the Bankruptcy Court Order becomes a Final Order.

SECTION 9. LIMITATION ON RECOURSE AND NON-PETITION

Notwithstanding any other provision of this Agreement or the Assigned Purchase Agreement to the contrary:

1. Assignor shall not institute against, or join any other person in instituting against the Assignee, any bankruptcy, reorganisation, arrangement, insolvency, examinership, winding-up, moratorium or liquidation proceedings, or other similar proceedings under Irish law, or the laws of any other applicable jurisdiction in any proceeding relating to the transactions contemplated hereby;
2. without prejudice to Assignor's obligations under the Guaranty, the obligations of the Assignee under and in connection with this Agreement and the Assigned Purchase Agreement shall be limited recourse obligations payable solely from the available assets of Assignee. No recourse shall be had against any shareholder, employee, officer, director or agent of Assignee under or in connection with this Agreement or the Assigned Purchase Agreement, it being understood and agreed that the obligations of Assignee hereunder and under the Assigned Purchase Agreement are corporate obligations; and
3. this Section 9 shall survive the termination of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

Purchase Agreement Assignment
[REDACTED]

IN WITNESS WHEREOF, Assignor and Assignee have caused this Agreement to be duly executed as of the date first above written.

ASSIGNOR

ASSIGNEE

For and on behalf of

For and on behalf of

AEROVÍAS DE MÉXICO, S.A. DE C.V.

MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED

Name:

Name:

Title:

Title:

Name:

Title:

Purchase Agreement Assignment
[REDACTED]

SCHEDULE 1

MANUFACTURER'S CONSENT, AGREEMENT AND RELEASE

The undersigned (the “**Manufacturer**”) hereby acknowledges notice of and consents to all of the terms of the foregoing Purchase Agreement Assignment dated as of _____, 2021 (the “**Agreement**”); the terms defined or incorporated by reference therein being hereinafter used with the same meaning except as otherwise provided herein), between Aerovías de México, S.A. de C.V., a limited liability company (*sociedad* anónima de capital variable) organized and existing under the laws of Mexico, as assignor (the “**Assignor**”) and MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED, a private company limited by shares incorporated under the laws of Ireland, as assignee (the “**Assignee**”). Capitalized terms used herein shall have the same meanings given to them in the Agreement (including terms incorporated by reference therein).

Manufacturer hereby confirms to Assignor and Assignee that effective as of the Effective Date:

- (i) Manufacturer consents to the assignment by Assignor to Assignee of Assignor’s right, title and interest under, in and to, the Assigned Purchase Agreement, as provided for in the Agreement;
- (ii) Manufacturer further consents to the assumption by Assignee of Assignor’s obligations, duties, covenants, indemnities and liabilities under the Assigned Purchase Agreement, as provided for in the Agreement;
- (iii) all representations, warranties, indemnities and agreements of Manufacturer under the Assigned Purchase Agreement in respect of the Aircraft shall inure to the benefit of Assignee under the Assigned Purchase Agreement to the same extent as if Assignee was originally named "Buyer" therein, subject to the terms and conditions of the Agreement;
- (iv) except as specifically stated herein and in Section 3(b) of the Agreement, Assignor is hereby released from all obligations, duties, covenants, indemnities and liabilities under the Assigned Purchase Agreement with respect to the Aircraft to the extent such obligations, duties, covenants, indemnities and liabilities first arise, and relate to any period commencing, on or after the Effective Date;
- (v) Manufacturer consents to the application of the Advance Payment Amounts, as provided for in Section 2(c) of the Agreement, subject in all events to Manufacturer's rights under the Assigned Purchase Agreement;

Purchase Agreement Assignment
[REDACTED]

- (vi) Manufacturer consents and agrees to the determination of the purchase price for each Aircraft as set forth in Section 2(d) of the Agreement;
- (vii) notwithstanding any other provision of this Manufacturer's Consent, Agreement and Release, the Agreement or the Assigned Purchase Agreement to the contrary:
 - (a) Manufacturer shall not institute against, or join any other person in instituting against the Assignee, any bankruptcy, reorganisation, arrangement, insolvency, examinership, winding-up, moratorium or liquidation proceedings, or other similar proceedings under Irish law, or the laws of any other applicable jurisdiction in any proceeding relating to the transactions contemplated hereby;
 - (b) without prejudice to Assignor's obligations under the Guaranty, the obligations of the Assignee under and in connection with the Agreement and the Assigned Purchase Agreement shall be limited recourse obligations payable solely from the available assets of Assignee; and no recourse shall be had against any shareholder, employee, officer, director or agent of Assignee under or in connection with the Agreement or the Assigned Purchase Agreement, it being understood and agreed that the obligations of Assignee under the Agreement and the Assigned Purchase Agreement are corporate obligations; and
 - (c) this paragraph (vii) shall survive the termination of this Manufacturer's Consent, Agreement and Release;
- (viii) Manufacturer agrees that, for purposes of Article 11 of the AGTA, constituting a part of the Assigned Purchase Agreement, all notices to be sent to "Customer" shall be sent to:

MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED

First Floor

118 Lower Baggot Street

Dublin 2

Ireland

Attn: The Directors

Facsimile: +353 (0)1 4866601

Email: adie-cms-a@alterdomus.com

and to:

Aerovías de México, S.A. de C.V.

Paseo de la Reforma, 445

Purchase Agreement Assignment
[REDACTED]

Colonia Cuauhtemoc
Mexico, DF 06500
Mexico
Attn: Treasurer
Facsimile: +52 55 9132 5079
Email: []

This Manufacturer's Consent, Agreement and Release shall in all respects be governed by, and construed and enforced in accordance with the laws of the State of Washington, including all matters of construction, validity and performance, provided that Washington's choice of law rules shall not be invoked or used for the purpose of applying, or if the result would be the application of, the law of another jurisdiction.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

Purchase Agreement Assignment
[REDACTED]

IN WITNESS WHEREOF, Manufacturer has caused this Manufacturer's Consent,
Agreement and Release to be duly executed as of _____, 2021.

MANUFACTURER

THE BOEING COMPANY

By _____

Name:

Title:

Annex 6

Amendment No. 1 to the Boeing Consent Amendment

**AMENDMENT NO. 1 TO BOEING CONSENT TO
COLLATERAL ASSIGNMENT OF PURCHASE AGREEMENT RIGHTS**

This Amendment No. 1 to Boeing Consent to Collateral Assignment of Purchase Agreement Rights is entered into as of _____, 2021 (this “**Amendment**”), between MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED (“**Assignor**”), PAAL CETUS COMPANY LIMITED as security trustee under the Collateral Assignment (“**Assignee**”) and THE BOEING COMPANY (“**Boeing**”), and amends that certain Boeing Consent to Collateral Assignment of Purchase Agreement Rights entered into as of October 27, 2017 (the “**Original Consent**”), among Assignor, Assignee and Boeing. Capitalized terms used but not defined in this Amendment shall have the meanings ascribed to such terms in the Original Consent.

W I T N E S S E T H:

WHEREAS, Aerovías De México, S.A. De C.V. and Boeing entered into the Purchase Agreement for several Boeing model 737 MAX[REDACTED] and 737 MAX[REDACTED] aircraft, including the Aircraft.

WHEREAS, Aeromexico and Assignor entered into the Assignment Agreement in respect of the Aircraft dated as of the date hereof between Aeromexico as assignor and Assignor as assignee, whereby Aeromexico transferred to Assignor certain of its rights and obligations, with certain changes and exclusions, under the Purchase Agreement with respect to the Aircraft.

WHEREAS, concurrently herewith, (i) Assignor and Assignee with the consent of Boeing are entering into a Purchase Agreement Assignment in respect of Boeing model 737 MAX-9 aircraft bearing manufacturer serial numbers [REDACTED] (“**Aircraft MSN [REDACTED]**”) and collectively, the “**New Aircraft**”) dated as of the date hereof between Aeromexico as assignor and Assignor as assignee and consented to by Boeing (the “**New PAA**”), whereby Aeromexico will transfer to Assignor certain of its rights and obligations, with certain changes and exclusions, under the Purchase Agreement with respect to the New Aircraft, (ii) Assignor, Assignee and Aeromexico are entering into an Assigned Purchase Agreement Amendment dated as of the date hereof (the “**APA Amendment**”), and (iii) Assignor, Assignee and Aeromexico (among others) are entering into an amendment to the Installment Purchase Agreement dated as of the date hereof (the “**IPA Amendment**”).

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. As of the Effective Date, as defined in the APA Amendment, all references to the manufacturer’s serial number “[REDACTED]” in the Original Consent shall be amended to references to manufacturer’s serial number “[REDACTED]”.

2. As of the Effective Date, all references to the manufacturer’s serial number “[REDACTED]” in the Original Consent shall be amended to references to manufacturer’s serial number “[REDACTED]”.

3. As of the Effective Date, (i) the amount of the Advance Payments previously paid in respect of the Aircraft bearing manufacturer’s serial number [REDACTED] (“**Aircraft MSN [REDACTED]**”) and the Aircraft bearing manufacturer’s serial number [REDACTED]

(**“Aircraft MSN [REDACTED].**

4. As of the Effective Date and notwithstanding any provision of the Original Consent to the contrary, the Aircraft shall be the aircraft listed on Appendix 1 and the scheduled delivery month and the balance of Advance Payments previously paid and held by Boeing on behalf of Assignee for each such aircraft and its scheduled delivery month shall be those opposite such aircraft on Appendix 1.

5. As of the Effective Date, all references to “Assigned Purchase Agreement” in the Original Consent shall be to the Assigned Purchase Agreement as amended by the APA Amendment and all references to “Installment Purchase Agreement” in the Original Consent shall be to the Installment Purchase Agreement as amended by the IPA Amendment.

6. Notwithstanding any provision of the Assigned Purchase Agreement (as amended by the APA Amendment) to the contrary, or any other document involving Assignor or AMX and Boeing, if Boeing notifies Assignor that delivery of any Aircraft will be delayed more than [REDACTED] months after the last day of the Scheduled Delivery Month for that Aircraft (it being agreed that Boeing will deliver any such notice to Assignee when it delivers such notice to Assignor, such notice a **“Delay Notice”**) or if any Aircraft remaining subject to the Assigned Purchase Agreement is not delivered by the last day of the calendar month that falls [REDACTED] months after the last day of the Scheduled Delivery Month (as defined in the APA Amendment) for such Aircraft (such day, the **“Final Date”**), as such Scheduled Delivery Month is in effect on the date hereof (it being understood and agreed by the parties hereto that such Scheduled Delivery Month may not be amended, supplemented, waived or otherwise modified in any respect without the prior written consent of Assignee), [REDACTED].

7. Paragraph B(2) (*Assignee’s Credit Memorandum*) to Schedule 1 to the Original Consent shall be amended and restated in its entirety to read as follows:

[REDACTED].

8. Save as expressly hereby amended, the terms of the Original Consent shall remain in full force and effect.

9. This Amendment shall become effective when the Bankruptcy Court Order, as defined in the APA Amendment, becomes a Final Order, as defined in the APA Amendment.

10. Boeing confirms that it has not given any notice of default or termination under the Assigned Purchase Agreement, and the Assigned purchase agreement is in full force and effect.

11. Each party hereto represents and warrants (as regards itself only) to each of the other parties that such party has full power, authority and legal right to execute and deliver this Amendment and to perform its obligations under this Amendment, and such execution, delivery and performance has been duly authorized by all necessary corporate action of such party.

12. This Amendment may be executed by the parties in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute but one and the same instrument.

13. This Amendment will be interpreted under and governed by the laws of the State of Washington, U.S.A., except that Washington's choice of law rules shall not be invoked for the purpose of applying the law of another jurisdiction.

[Remainder of page blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to the Boeing Consent to Collateral Assignment of Purchase Agreement Rights to be executed by their respective duly authorized signatories as of the day and year first above written.

**MEXICAN DRAGON AIRCRAFT
HOLDINGS LIMITED,**

as Assignor

By: _____
Name:
Title:

By: _____
Name:
Title:

PAAL CETUS COMPANY LIMITED,
as Assignee

By: _____
Name:
Title:

THE BOEING COMPANY

By: _____
Name:
Title:

Appendix 1

Scheduled Delivery Month and Advance Payment Balances for Undelivered Aircraft

Aircraft MSN	Scheduled Delivery Month	Advance Payments
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Annex 7

Agency Amendment Side Letter

From: Aerovías de México, S.A. de C.V. (“**Aeromexico**”)

Mexican Dragon Aircraft Holdings Limited, as assignee (“**Assignee**”, and together with Aeromexico, the “**Parties**” or “**we**”)

To: Boeing Commercial Airplanes (“**Boeing**”)
P.O. Box 3707
Seattle, Washington 98124-2207

_____, 2021

Ladies and Gentlemen:

Reference is made to (i) the Appointment of Agent Letter dated October 27, 2017 (the “**Seller Agency Agreement**”) from Assignee and Aeromexico, in which Assignee appoints Aeromexico (in such capacity, “Agent”) as its sole and exclusive agent to act (or appoint an agent to act) directly with Boeing with respect to all matters regarding the Assigned Purchase Agreement, including, without limitation, exercising Assignee’s rights under the Assigned Purchase Agreement and (ii) the Assigned Purchase Agreement dated on or about that date hereof among Aeromexico, Assignee and Boeing (the “**APA Amendment**”). Capitalized terms not defined herein shall have the same meaning as in the Seller Agency Agreement.

1. As of the Effective Date as defined in the APA Amendment, all references to the manufacturer’s serial number [REDACTED] in the Seller Agency Agreement shall be amended to references to manufacturer’s serial number [REDACTED].
2. As of the Effective Date, all references to the manufacturer’s serial number [REDACTED] in the Seller Agency Agreement shall be amended to references to manufacturer’s serial number [REDACTED].
3. As of the Effective Date, all references to the Purchase Agreement, the Purchase Agreement Assignment and the Assigned Purchase Agreement shall be deemed to be references to the Purchase Agreement, the Purchase Agreement Assignment and the Assigned Purchase Agreement as each such agreement is in effect on the Effective Date.
4. This letter agreement may be executed in any number of separate counterparts by the Parties, and each counterpart shall when executed and delivered be an original document, but all counterparts shall together constitute one and the same instrument.
5. Save as expressly hereby amended, the Seller Agency Agreement remains in full force and effect.
6. THIS LETTER AGREEMENT WILL BE INTERPRETED UNDER AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, U.S.A., WITHOUT REGARD TO ANY CONFLICTS OF LAW PRINCIPLES.
7. We request that Boeing acknowledge receipt of this letter by signing the acknowledgment and forwarding one copy of this letter to each of the undersigned.

[Signature page follows]

AEROVÍAS DE MÉXICO, S.A. DE C.V.

By: _____
Name:
Title:

By: _____
Name:
Title:

MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED

By: _____
Name:
Title:

Acknowledged and agreed.

THE BOEING COMPANY,

By: _____
Name:
Title:

-Signature Page-
Agency Agreement Side Letter

Annex 8

Aircraft Reassignment Agreement

REASSIGNMENT AGREEMENT

To: Aerovías de México, S.A. de C.V.
Attention: Legal Department and Fleet Department
To: THE BOEING COMPANY
Attention: Vice President – Contracts

Date: _____, 2021

Dear Ladies and Gentlemen,

We refer to (i) that certain Purchase Agreement [REDACTED] dated November 5, 2012, between THE BOEING COMPANY (**Boeing**) and AEROVÍAS DE MÉXICO, S.A. de C.V. (the "**Purchase Agreement**") and that certain aircraft general terms agreement AGTA-AMX, dated November 1, 2002 (the "**AGTA**") pursuant to which, among other things, AEROVÍAS DE MÉXICO, S.A. de C.V. agreed to purchase certain aircraft, engines and related equipment including certain Boeing Model 737 MAX[REDACTED] and 737 MAX[REDACTED] aircraft; and (ii) that certain Purchase Agreement Assignment, dated October 27, 2017, between AEROVÍAS DE MÉXICO, S.A. de C.V. as assignor (the "**Assignor**") and MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED as assignee (the "**Assignee**") and consented and agreed to by Boeing ("the **Purchase Agreement Assignment**" and the Purchase Agreement, as modified and assigned pursuant to the Purchase Agreement Assignment to the extent the Purchase Agreement relates to the Aircraft, the "**Assigned Purchase Agreement**"). Capitalized terms not otherwise defined herein shall have the meanings assigned in the Purchase Agreement Assignment or Purchase Agreement, as applicable.

With effect from the Effective Date (as defined in the Assigned Purchase Agreement Amendment dated on and about the date hereof among Assignor, Assignee and Boeing the "**APA Amendment**")), as regards to one Boeing 737 MAX[REDACTED] aircraft bearing manufacturer's serial number[REDACTED] (the "**Relevant Aircraft**"), which is one (1) of the Aircraft, we hereby confirm that:

- (a) the Relevant Aircraft is released from the terms and conditions of the Assigned Purchase Agreement and the Assigned Purchase Agreement shall terminate with respect to the Relevant Aircraft;
- (b) All rights and obligations of Assignee under the Assigned Purchase Agreement in respect of the Relevant Aircraft are re-assigned to the Assignor and Assignor shall have the right and obligation to purchase the Relevant Aircraft under the Purchase Agreement; provided that Assignee shall retain all rights and interest in all advance payments in respect of the Relevant Aircraft, it being agreed that simultaneously with the reassignment of the assigned rights hereunder, Assignor is assigning to Assignee rights to purchase that certain Boeing 737 MAX[REDACTED] aircraft bearing manufacturer's serial number[REDACTED] and such advance payments shall be applied to that aircraft under the Assigned Purchase Agreement as amended by the APA Amendment; and
- (c) Boeing is released from its duties, obligations, and liabilities (but only in respect to the Relevant Aircraft) under the Boeing Consent to Collateral Assignment of Purchase Agreement Rights (Boeing 737 MAX) dated October 27, 2017 and executed, among others, by Boeing and relating to the aforementioned Purchase Agreement Assignment (the **Boeing Consent**);

By countersigning this Reassignment Agreement, Boeing acknowledges the aforementioned reassignment and confirms its agreement to the terms hereof.

By countersigning this Reassignment Agreement, the Assignor acknowledges and accepts the aforementioned reassignment and the Partial Redemption.

The Purchase Agreement Assignment and the Boeing Consent and Agreement shall remain in full force with respect to the Aircraft (as such term is defined therein) other than (i) the Relevant Aircraft; and (ii) any Aircraft released by us pursuant to any reassignment agreement entered into prior to the date hereof.

This Reassignment Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of the State of Washington, U.S.A., exclusive of Washington's conflicts of laws principles.

Please countersign this Reassignment Agreement and confirm your agreement to the aforementioned.

For and on behalf of:

MEXICAN DRAGON AIRCRAFT HOLDINGS LIMITED,

as Assignor

By:

Title:

For and on behalf of:

AEROVÍAS DE MÉXICO, S.A. DE C.V.,

as Assignee

By:

Title:

By:

Title:

For and on behalf of:

THE BOEING COMPANY

By:

Title:

Annex 9

Keep Well Agreement

KEEP WELL DEED

From: Aerovías de México, S.A. de C.V.
Paseo de la Reforma, No 243, Piso 27
Colonia Cuauhtémoc
Delegación Cuauhtémoc
Mexico, DF 06500
Mexico
(“**Aeromexico**”)

To: Mexican Dragon Aircraft Holdings Limited
First Floor
118 Lower Baggot Street
Dublin 2
Ireland
(the “**Company**”)

[●] 2021

Dear Sirs

1. We refer to:
 - (i) the installment purchase agreement dated 27 October 2017 between the Company, as seller, Aermexico, as seller guarantor and PAAL Cetus Company Limited, as purchaser (the “**Purchaser**”) as amended pursuant to an installment purchase amendment agreement dated [●] (the “**Amendment Agreement**”) between , inter alios, the Company , Aeromexico, the Purchaser and Clover Aircraft Leasing Company Limited (such installment purchase agreement as so amended and as further amended and supplemented from time to time, the “**IPA**”); and
 - (ii) the note subscription agreement dated 27 October 2017 between the Company, as Issuer and Aeromexico, as subscriber together with the profit participating note issued by the Company thereunder dated 27 October 2017 and held by Aeromexico as amended and supplemented from time to time (the “**Note**”).(the “**Agreements**”).

Capitalised terms not otherwise defined herein shall have the meaning given to them in the IPA.

2. We hereby irrevocably and unconditionally undertake, with effect from the Effective Date (as defined in the Amendment Agreement):
 - (a) to provide all reasonable support and assistance to the Company to assist it in satisfying its obligations under the Agreements and the other Transaction Documents to which it is a party including the provision of further advances to the Company under the Note to meet any of its future financial obligations and its obligations under the Transaction Documents to which it is a party; and
 - (b) to indemnify the Company on demand against all reasonable costs, fees, taxes, losses, expenses and disbursements incurred by the Company, both prior to the Effective Date and future, in relation to the Agreements and the other Transaction Documents, its incorporation, continued existence and dissolution and liquidation including, without limitation, directors’ fees, company secretarial fees, fees payable to corporate, accountancy and tax compliance service providers, auditors’ fees, legal and tax advisory

fees, liquidator's fees and all other costs, fees, expenses and disbursements incurred by or in connection with its corporate existence.

Notwithstanding the foregoing, Aeromexico shall not be required to indemnify the Company for such losses resulting from or attributable to (i) a breach by the Company of any of the terms of the Agreements or the other Transaction Documents excluding such breaches resulting directly or indirectly from any act or failure to act by Aeromexico (including any failure by Aeromexico to provide financial assistance to the Company as provided for in paragraph 2(a) above) or any person other than the Company or (ii) the wilful default, fraud or gross negligence of the Company.

Aeromexico hereby represents and warrants to the Company that as of the Effective Date (as defined in the Amendment Agreement), its obligations under this Deed constitute administrative expense obligations of Aeromexico in the Chapter 11 cases commenced by Aeromexico and its affiliates on June 30, 2020 and pending in the United States Bankruptcy Court for the Southern District of New York under the lead case no. 20-11563.

This Deed and any non-contractual obligations arising out of or in connection therewith shall be governed by and construed in accordance with the laws of Ireland and we irrevocably submit to the jurisdiction of the courts of Ireland.

IN WITNESS WHEREOF Aeromexico have executed and delivered (and have intended to so execute and deliver) this Deed as a deed on the date written above.

Yours faithfully

**SIGNED AND DELIVERED AS A DEED
BY**

Name:

Title:

BY

Name:

Title:

**FOR AND ON BEHALF OF
AEROVÍAS DE MÉXICO, S.A. DE C.V.**

in the presence of:

(Signature of witness)

(Name of witness)

(Address of witness)