

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 11

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AVIANCA HOLDINGS S.A., *et al.*,¹ : Case No. 20-11133 (MG)

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Debtors. : (Jointly Administered)

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AMENDED FINAL ORDER AUTHORIZING DEBTORS TO (I) CONTINUE THEIR INSURANCE AND SURETY BOND PROGRAMS (II) SATISFY OBLIGATIONS RELATED THERETO; (III) CONTINUE PAYMENT OF CERTAIN BROKERAGE FEES; (IV) RENEW, SUPPLEMENT, MODIFY, OR PURCHASE INSURANCE COVERAGE AND SURETY BONDS; AND (V) ENTER INTO NEW PREMIUM FINANCING AGREEMENTS IN THE ORDINARY COURSE OF BUSINESS

Upon consideration of the motion (the “Motion”)² of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), seeking entry of a final order (this “Order”) (a) granting the Debtors authority, in their discretion, to (i) continue their Insurance Programs and Surety Bond Programs, (ii) pay various premiums, fees and other obligations related to the Insurance Programs and Surety Bond Programs, including certain brokerage fees, (iii) renew,

¹ The Debtors in these chapter 11 cases, and each Debtor’s federal tax identification number (to the extent applicable), are as follows: Avianca Holdings S.A. (N/A); Aero Transporte de Carga Unión, S.A. de C.V. (N/A); Aeroinversiones de Honduras, S.A. (N/A); Aerovías del Continente Americano S.A. Avianca (N/A); Airlease Holdings One Ltd. (N/A); America Central (Canada) Corp. (00-1071563); America Central Corp. (65-0444665); AV International Holdco S.A. (N/A); AV International Holdings S.A. (N/A); AV International Investments S.A. (N/A); AV International Ventures S.A. (N/A); AV Investments One Colombia S.A.S. (N/A); AV Investments Two Colombia S.A.S. (N/A); AV Taca International Holdco S.A. (N/A); Avianca Costa Rica S.A. (N/A); Avianca Leasing, LLC (47-2628716); Avianca, Inc. (13-1868573); Avianca-Ecuador S.A. (N/A); Aviaservicios, S.A. (N/A); Aviateca, S.A. (N/A); Avifreight Holding Mexico, S.A.P.I. de C.V. (N/A); C.R. Int’l Enterprises, Inc. (59-2240957); Grupo Taca Holdings Limited (N/A); International Trade Marks Agency Inc. (N/A); Inversiones del Caribe, S.A. (N/A); Isleña de Inversiones, S.A. de C.V. (N/A); Latin Airways Corp. (N/A); Latin Logistics, LLC (41-2187926); Nicaraguense de Aviación, Sociedad Anónima (Nica, S.A.) (N/A); Regional Express Américas S.A.S. (N/A); Ronair N.V. (N/A); Servicio Terrestre, Aereo y Rampa S.A. (N/A); Servicios Aeroportuarios Integrados SAI S.A.S. (92-4006439); Taca de Honduras, S.A. de C.V. (N/A); Taca de México, S.A. (N/A); Taca International Airlines S.A. (N/A); Taca S.A. (N/A); Tampa Cargo S.A.S. (N/A); Technical and Training Services, S.A. de C.V. (N/A). The Debtors’ principal offices are located at Avenida Calle 26 # 59 – 15 Bogotá, Colombia.

² Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.



supplement, modify or purchase insurance coverage or surety bonds on a postpetition basis, and (iv) enter into new premium finance agreements on a postpetition basis, each in the ordinary course of business; and (b) granting related relief, all as described more fully in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated February 1, 2012; and it appearing that venue of these Chapter 11 Cases and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the Motion and the *Declaration of Adrian Neuhauser Pursuant to Local Bankruptcy Rule 1007-2 and in Support of the Debtors' Chapter 11 Petitions and First Day Orders*, dated as of the Petition Date; and upon the statements of counsel in support of the relief requested in the Motion at the Final Hearing; and all of the proceedings had before the Court; and this Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors and other parties-in-interest; and after due deliberation thereon; and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED and approved on a final basis as set forth herein.
2. Subject to the other provisions of this Final Order, the Debtors are authorized, but not directed, to continue their Insurance Programs and Surety Bond Programs, including (without limitation) those identified on **Schedule 1** and **Schedule 2** of the Motion, respectively, and, in their sole discretion, pay any prepetition or postpetition Insurance Obligations, Surety Bond Obligations, Brokerage Fees, Collateral Requirements and any other related expenses that come

due in the ordinary course, and to enter into new agreements of indemnity, notes, letters of direction, and similar documents and agreements with any surety in the ordinary course.

3. The Debtors are authorized, but not directed, in their sole discretion to renew, amend, supplement, modify or extend the Insurance Programs and Surety Bond Programs, as well as purchase additional insurance policies or surety bonds, each in the ordinary course of business; provided, provided, that the Debtors shall provide the Official Committee of Unsecured Creditors (the "Committee") with five (5) business days' prior notice (or as much notice as is reasonably practicable under the circumstances) before renewing, amending, supplementing, modifying or extending any Insurance Programs and Surety Bond Programs, to the extent such action is expected to have a material impact on the Debtors' business. Nothing in this paragraph, however, is intended to allow or authorize any of the Debtors to renew, amend, supplement, modify, or extend any surety bond without the consent of the applicable surety where such consent is required.

4. The Debtors are authorized to enter into premium financing agreements and grant security interests thereunder in the ordinary course of business; provided, that the Debtors shall provide the Committee with five (5) business days' prior notice before taking any such action.

5. All applicable banks and other financial institutions are authorized and directed, when requested by the Debtors, to receive, process, honor, and pay any and all checks and funds transfer requests from the Debtors' accounts with respect to the Insurance Programs or Surety Bond Programs, whether those checks were presented or funds transfer requests initiated prior to or after the Petition Date, provided that sufficient funds are available in the applicable accounts to make the payments.

6. The Debtors are authorized to issue postpetition checks or initiate postpetition fund transfer requests, and to replace any checks or funds transfer requests that are dishonored as a

consequence of these Chapter 11 Cases with respect to prepetition amounts owed in connection with the Insurance Obligations or Surety Bond Obligations (including Brokerage Fees).

7. Nothing contained in this Order or the Motion shall constitute a rejection or assumption by the Debtors of any executory contract or unexpired lease by virtue of reference of any such contract or lease in the Motion.

8. Notwithstanding the relief granted herein and any actions taken hereunder, nothing herein shall create, nor is intended to create, any rights in favor of, or enhance the status of any claim held by, any party.

9. Nothing contained in this Final Order or the Motion shall preclude any surety (a) from seeking relief from the automatic stay or from taking any other action to cancel any surety bond or similar instrument, (b) from declining to renew or increase the amount of any existing surety bond or similar instrument, (c) from declining to extend any existing surety bond or similar instrument beyond its term, (d) from declining to provide consent to, or otherwise exercise any rights in response to, the proposed assumption and/or assignment (pursuant to a sale, plan, or other process) of: (i) any existing surety bond or similar instrument; (ii) any indemnity agreement, note, letter of direction, or the like between, among, or involving any surety and any Debtor or non-debtor affiliate, and/or (iii) any underlying bonded contract, agreement, or the like; (e) from exercising any other or further rights that any surety may have with respect to a sale, plan, or similar process; or (f) from declining to execute any new or additional surety bonds or similar instruments on behalf of any of the Debtors or their non-debtor affiliates. Any and all such rights that any surety may have are reserved to such surety/sureties.

10. The rights of the Committee to seek (a) additional disclosures from the Debtors, including disclosures regarding the terms of payments made on account of any Insurance/Surety

Obligations, and (b) to avoid and recover any payment made by the Debtors on account of any Insurance/Surety Obligations, respectively, are expressly reserved and shall not be prejudiced by entry of the Interim Order or this Final Order.

11. Notwithstanding any applicability of Bankruptcy Rule 6004, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

12. The Debtors are authorized and empowered to take all actions necessary to implement the relief requested in this Order.

13. This Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the implementation of this Order.

IT IS SO ORDERED.

Dated: June 9, 2020
New York, New York

Martin Glenn

MARTIN GLENN
United States Bankruptcy Judge