

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

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| -----X  |                          |
|   | :                        |
| In re:  | : Chapter 11             |
|   | :                        |
| AVIANCA HOLDINGS S.A., <i>et al.</i> , <sup>1</sup> | : Case No. 20-11133 (MG) |
|   | :                        |
| Debtors.  | : (Jointly Administered) |
|   | :                        |
| -----X  |                          |

**JOINT STATUS REPORT REGARDING WAGES MOTION**

The Debtors, the Office of the United States Trustee (the “U.S. Trustee”), and the Official Committee of Unsecured Creditors hereby file this Joint Status Report pursuant to the Court’s *Order Requiring Filing of Status Report Regarding Wages Motion* [Docket No. 386].

Currently, one issue remains in dispute regarding the Debtors’ wages motion [Docket No. 3] (the “Wages Motion”). The U.S. Trustee objects to the Debtors’ request for authority to pay the prepetition amounts owing under the Debtors’ long term incentive plan, which total approximately \$359,742 on account of 90 employees. The U.S. Trustee objects on the basis that all such amounts are due on account of employee obligations that arose before the 180-day prepetition period (i.e.,

<sup>1</sup> The debtors in these chapter 11 cases (the “Debtors”), 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.



before November 12, 2019). The U.S. Trustee does not assert any other objection to the Wages Motion.

The Debtors have determined to exclude the five disputed retention plan participants (those earning in excess of \$200,000) (the “KERP Participants”) from the relief sought with respect to the Wages Motion. The Debtors reserve the right to seek relief through a separate motion should they determine to seek to include the KERP Participants in the current retention plan or any future retention plan.

Since the hearing on June 11, 2020, the Debtors and the U.S. Trustee have exchanged two settlement proposals regarding the Wages Motion. Neither settlement proposal has resulted in a settlement of the issues as between the Debtors and the U.S. Trustee. As such, the Debtors currently intend to proceed with the Wages Motion at the July 15 omnibus hearing in respect of the foregoing disputed issue on a contested basis.

Dated: New York, New York  
July 9, 2020

/s/ Evan R. Fleck  
Dennis F. Dunne  
Evan R. Fleck  
MILBANK LLP  
55 Hudson Yards  
New York, New York 10001  
Telephone: (212) 530-5000  
Facsimile: (212) 530-5219

- and -

Gregory A. Bray  
MILBANK LLP  
2029 Century Park East, 33<sup>rd</sup> Floor  
Los Angeles, CA 90067  
Telephone: (424) 386-4000  
Facsimile: (213) 629-5063

*Counsel for Debtors and  
Debtors-in-Possession*

- and -

WILLIAM K. HARRINGTON  
UNITED STATES TRUSTEE, Region 2  
By: /s/ Brian S. Masumoto  
Brian S. Masumoto  
Trial Attorney  
201 Varick Street, Room 1006  
New York, New York 10014  
Tel. (212) 510-0500

- and -

MORRISON & FOERSTER LLP  
/s/ Brett H. Miller  
Brett H. Miller  
Todd M. Goren  
Erica J. Richards  
250 West 55th Street  
New York, New York 10019  
Telephone: (212) 468-8000  
Facsimile: (212) 468-7900  
brettmiller@mofocom  
tgoren@mofocom  
erichards@mofocom

*Proposed Counsel to the  
Official Committee of Unsecured Creditors*