

UNITED STATES BANKRUPTCY COURT
DISTRICT OF ALASKA

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| In re: |) | Chapter 11 |
| |) | |
| PENINSULA AIRWAYS INC., D/B/A |) | Case No. 17-00282 |
| PENAIR |) | |
| |) | |
| Debtor. |) | |

ORDER (I) APPROVING THE SALE OF THE DEBTOR’S ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS (II) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES, (III) APPROVING CURE AMOUNTS, AND (IV) GRANTING OTHER AND FURTHER RELATED RELIEF

On September 12, 2018, Gerard A. McHale, Jr., as chapter 11 trustee for the above captioned debtor (the “Chapter 11 Trustee”) filed the *Chapter 11 Trustee’s Motion for Entry of an Order Approving the Sale of the Debtor’s Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests* (the “Sale Motion”) [ECF No. 491]. As used in this order (the “Sale Order”), “Asset Purchase Agreement” means the Asset Purchase Agreement between Peninsula Airways, Inc. (the “Debtor”) and Peninsula Aviation Services, Inc. (together with its affiliates or assignees that will be involved in consummating the transactions contemplated by the Asset Purchase Agreement, the “Purchaser”), attached hereto as **Exhibit A**. Capitalized terms not defined in this Sale Order shall have the meanings ascribed to them in the Asset Purchase Agreement.

By the Sale Motion, the Chapter 11 Trustee sought, among other things, approval of the sale of substantially all of the Debtor’s assets (the “Acquired Assets”) to a proposed buyer, subject to auction and overbids. On August 31, 2018, the Court entered its *Order Granting Chapter 11 Trustee’s Amended Emergency Motion (a) for Entry of an Order Approving Auction and Bid Procedures, including Bid Protections, (b) Authorizing and Scheduling an Auction for the Sale of*

the Debtor's Assets, and (c) Granting Related Relief (ECF No. 472) (the "Bidding Procedures Order"), which, among other things, established the terms, conditions, and procedures applicable to the auction of the Acquired Assets (the "Auction"). On September 4, 2018, the Chapter 11 Trustee filed the *Chapter 11 Trustee's Amended Motion for Entry of an Order (a) Authorizing the Assumption and Assignment of Executory Contracts and Unexpired Leases, (b) Approving Cure Amounts, and (c) Granting Related Relief* [ECF No. 475] (the "Assumption and Assignment Motion"), and collectively with the Sale Motion, the "Motions").

On October 5, 2018, this Court held a hearing (the "Sale Hearing") on the Sale Motion and the relief requested therein, including, among other things, the Chapter 11 Trustee's request for this Court to approve the sale of the Acquired Assets to the "Successful Bidder." The appearance of all interested parties and all responses and objections to the Sale Motion having been duly noted on the record of the Sale Hearing.

The Court has considered the Motions, any pleadings and papers filed in support of or in response to the Motions, the arguments of counsel at the Sale Hearing, the testimony given and the proffers made at the Sale Hearing, and the entire record of this bankruptcy case. It appears that the relief granted in this Sale Order is in the best interests of the Debtor, the Debtor's estate, creditors, and all parties in interest. Accordingly, after due deliberation and for good and sufficient cause shown.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

IT IS HEREBY FOUND AND DETERMINED THAT:

A. This Court has jurisdiction to hear and determine the Motions and over the property of the Debtor's estate, including the Acquired Assets to be sold, transferred or conveyed pursuant to the Asset Purchase Agreement, pursuant to 28 U.S.C. §§ 157(b)(2) and 1334(b).

B. The Sale Motion is a core proceeding under 28 U.S.C. §§ 157(b)(2)(A) and (N). Venue of this case and the Sale Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

C. The statutory predicates for the relief requested herein are (i) sections 105, 363, 365 and 503 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), (ii) Rules 2002, 6004, 6006, 9007, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and (iii) Rule 6004-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the District of Alaska (the “Local Rules”).

D. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014.

E. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such. The Court’s findings shall also include any oral findings of fact and conclusions of law made by the Court during or at the conclusion of the Sale Hearing. This Sale Order constitutes a final order within the meaning of 28 U.S.C. § 158(a).

F. As evidenced by the certificates of service filed with the Court [ECF Nos. 469, 475, 477, 480, 488, and 493], proper, timely, adequate, and sufficient notice of the Motions, the Auction, the Sale Hearing, and the relief provided in this Sale Order has been provided, including, without limitation, in accordance with the Bidding Procedures Order, applicable Bankruptcy Rules, and the Local Rules. No other or further notice of the Motions, the Auction, the Sale Hearing, the relief provided in this Sale Order, or the entry of this Sale Order is required.

G. A reasonable opportunity to object or be heard regarding the requested relief in the Motions has been afforded to all interested persons and entities. Other parties interested in

bidding on the Acquired Assets were provided, upon request, sufficient information to make an informed judgment on whether to bid on the Acquired Assets.

H. The Chapter 11 Trustee, the Successful Bidder, the Stalking Horse Bidder, Wexford Capital, together with their affiliates and their professionals have complied, in good faith, with the Bidding Procedures Order in all respects. As demonstrated by (a) any testimony and other evidence proffered or adduced at the Sale Hearing or submitted by affidavit or declaration at or prior to the Sale Hearing and (b) the representations of counsel made on the record at the Sale Hearing, through marketing efforts and a competitive sale process conducted in accordance with the Bidding Procedures Order, the Chapter 11 Trustee (i) afforded interested potential purchasers a full, fair and reasonable opportunity to qualify as bidders and submit their highest or otherwise best offer to purchase all of the Debtor's assets; (ii) provided potential purchasers, upon request, sufficient time and information to enable them to make an informed judgment on whether to bid on the Acquired Assets; and (iii) considered all Qualified Bids (as defined in the Bidding Procedures Order) submitted on or before the Bid Deadline (as defined in the Bidding Procedures Order).

I. The Bid Procedures set forth in the Bidding Procedures Order were non-collusive, created and followed in good faith by the Trustee, the Qualified Bidders and Wexford Capital, and are substantively and procedurally fair to all parties.

J. The Chapter 11 Trustee has demonstrated a sufficient basis and compelling circumstances requiring the Debtor to enter into the Asset Purchase Agreement and each Ancillary Agreement, sell the Acquired Assets and assume and assign the Assigned Contracts under Bankruptcy Code sections 363 and 365 prior to proposing a plan of reorganization or liquidation under Bankruptcy Code section 1129, and such actions are appropriate exercises of its reasonable business judgment and in the best interests of, and entirely fair to, the Debtor, its estate and its

creditors. Such business reasons include, but are not limited to, the facts that (i) there appears to be inadequate liquidity, or opportunity to obtain liquidity, to allow the Debtor's business to continue through Fall 2018, (ii) there is substantial risk of deterioration of the value of the Acquired Assets if the Sale is not consummated quickly, (iii) the DIP Credit Facility approved pursuant to ECF Nos. 183 and 260 (the "DIP Facility") is in default and is accruing interest at a default rate pursuant to the terms of the DIP Facility; (iv) the Asset Purchase Agreement constitutes the highest or best bid for the Acquired Assets received by the Chapter 11 Trustee; (v) the Asset Purchase Agreement and Closing will present the best opportunity to realize the value of the Debtor on a going-concern basis and avoid decline in the Debtor's business; and (vi) unless the Sale is concluded expeditiously as provided for in the Sale Motion and pursuant to the Asset Purchase Agreement, stakeholders' recoveries may be diminished.

K. The Auction was conducted in accordance with the terms, conditions, and procedures set forth in the Bidding Procedures Order and in a fair, good-faith, and non-collusive manner. The Auction was duly noticed, and afforded a full, fair, and reasonable opportunity for any person or entity to make a higher or otherwise better bid to purchase the Acquired Assets.

L. The terms and conditions of the Asset Purchase Agreement and each Ancillary Agreement, including, without limitation, the purchase price and other consideration set forth therein, are fair, reasonable, and adequate. The Asset Purchase Agreement will provide a greater recovery for the Debtor's estate than would be provided by any other practical available alternative. Approval of the Asset Purchase Agreement, each Ancillary Agreement, and the transactions contemplated thereby is in the best interests of the Debtor, the Debtor's estate, creditors, and all parties in interest.

M. The Chapter 11 Trustee has demonstrated compelling circumstances and good, sufficient, and sound business purposes for the sale of the Acquired Assets pursuant to section 363(b) of the Bankruptcy Code outside of a reorganization or liquidation plan in that, among other things,

- (i) to maximize the value of the Acquired Assets, a sale must be accomplished within the time constraints set forth in the Asset Purchase Agreement and the Bidding Procedures Order because the value of the Acquired Assets may decrease during the time it would otherwise take to propose and confirm a reorganization or liquidation plan;
- (ii) claims against the Debtor's estate may be minimized as a result of the prompt consummation of a sale of the Acquired Assets as the Purchaser may assume, and thereby relieve the Debtor of, certain liabilities; and
- (iii) the sale approved by this Sale Order does not constitute a de facto reorganization or liquidation plan or an element of such a plan for the Debtor, as it does not, and does not propose to, (a) impair or restructure existing debt of, or equity interests in, the Debtor; (b) impair or circumvent voting rights with respect to any future plan; (c) circumvent chapter 11 plan safeguards, such as those set forth in sections 1125 and 1129 of the Bankruptcy Code; (d) classify claims or equity interests, compromise controversies, or extend debt maturities or (e) propose to pay any of the proceeds of the sale in a manner that would violate the priority scheme of the Bankruptcy Code.

N. The Chapter 11 Trustee has full corporate power and authority to execute, deliver, and perform under the Asset Purchase Agreement and each Ancillary Agreement on behalf of the

Debtor and to consummate all transactions contemplated thereby, without any further consent or approval required. No other consents or approvals, other than as may be expressly provided for in the Asset Purchase Agreement and this Order, are required to consummate the Sale.

O. The Debtor has good, valid, and marketable title to all of the Acquired Assets, including, without limitation, all intellectual property, and no other person or entity has any ownership right, title, or interests therein except for holders of Interests as described in paragraph P hereof. The Acquired Assets constitute property of the Debtor's estate¹ and good title is vested in the Debtor's estate within the meaning of section 541(a) of the Bankruptcy Code (except as provided in paragraph 36 of this Order). The transfers of the Acquired Assets to the Purchaser and the assignments of the Assigned Contracts to the Purchaser pursuant to this Sale Order and the Asset Purchase Agreement shall constitute legal, valid, binding, and effective transfers of the Acquired Assets and assignments of the Assigned Contracts, and shall vest the Purchaser with good and valid title to the Acquired Assets and the Purchaser with all rights under the Assigned Contracts pursuant to sections 105(a), 363(b), and 363(f) of the Bankruptcy Code, free and clear of all liens, claims, Encumbrances, obligations, liabilities, demands, judgments, guarantees, options, debts, indebtedness, rights, restrictions, contractual commitments, real or shadow equity rights or interests, rights of first refusal, rights of setoff (except as otherwise set forth herein), rights to object to consent, and interests of any kind or nature, whether known or unknown, legal or equitable, direct or indirect, matured or unmatured, contingent or noncontingent, liquidated or unliquidated, asserted or unasserted, monetary or non-monetary, whether arising prior to or subsequent to the commencement of this bankruptcy case, and whether imposed by agreement, understanding, law, equity, or otherwise (collectively, the "Interests"), except for the Assumed

¹ For the avoidance of doubt, Acquired Assets do not include Trust Fund Taxes as defined in the Asset Purchase Agreement.

Liabilities, any rights of setoff validly taken prepetition (provided, any right of setoff in favor of the United States is reserved), or any right of recoupment or other affirmative defense.

P. Those (i) holders of Interests in or with respect to the Acquired Assets (including without limitation, secured creditors and the DIP Lender), and (ii) non-debtor parties to the Assigned Contracts, who did not object, or who withdrew their objections, to the sale of the Acquired Assets and the Sale Motion are deemed to have consented pursuant to section 363(c)(2) of the Bankruptcy Code. All objections to the Motions have been overruled or resolved. Those holders of Interests in or with respect to the Acquired Assets who did object fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code and are adequately protected by having their Interests, if any, attach to the proceeds of the sale of the Acquired Assets ultimately attributable to the property against or in which they claim or may claim any Interests, with such Interests being paid and satisfied through disbursements authorized by separate order of this Court.

Q. If the sale of the Acquired Assets to the Purchaser and the assignment of the Assigned Contracts to the Purchaser were not free and clear of all Interests, the Purchaser would not have entered into the Asset Purchase Agreement and would not consummate the transactions contemplated thereby, thus adversely affecting the Debtor, the Debtor's estate, creditors, and other parties in interest.

R. The Purchaser is a purchaser in "good faith," as that term is used in the Bankruptcy Code and the decisions thereunder, and is entitled to the protections of section 363(m) of the Bankruptcy Code with respect to all of the Acquired Assets. The Asset Purchase Agreement and each Ancillary Agreement was negotiated and entered into in good faith, based upon arm's length bargaining, and without collusion or fraud of any kind. Neither the Chapter 11 Trustee nor the

Purchaser have engaged in any conduct that would prevent the application of section 363(m) of the Bankruptcy Code or cause the application of, or implicate, section 363(n) of the Bankruptcy Code to the Asset Purchase Agreement or to the consummation of the Sale and transfer of the Acquired Assets and Assigned Contracts to the Purchaser. Specifically, the Purchaser has not acted in a collusive manner with any person or entity and was not controlled by any agreement among potential or actual bidders. The Purchaser is purchasing the Acquired Assets (including the Assigned Contracts) in good faith, is a good faith purchaser within the meaning of section 363(m) of the Bankruptcy Code, is an assignee in good faith of the Assigned Contracts, and is, therefore, together with the Chapter 11 Trustee, entitled to the protection of section 363(m) of the Bankruptcy Code. Additionally, the Purchaser otherwise has proceeded in good faith in all respects in connection with this proceeding in that: (i) the Purchaser recognized that the Chapter 11 Trustee was free to deal with any other party interested in acquiring the Acquired Assets, (ii) the Purchaser complied with the Bid Procedures, (iii) all consideration to be paid by the Purchaser and other agreements or arrangements entered into by the Purchaser in connection with the sale, have been disclosed, (iv) the Purchaser has not violated section 363(n) of the Bankruptcy Code by any action or inaction, and (v) the negotiation and execution of the Asset Purchase Agreement, the Ancillary Agreements, and any other agreements or instruments related thereto was in good faith.

S. The transfers of the Acquired Assets, assignments of the Assigned Contracts, and other transfers contemplated by the Asset Purchase Agreement pursuant to the terms of this Sale Order and the Asset Purchase Agreement constitute transfers for reasonably equivalent value and fair consideration under the Bankruptcy Code, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act, the Uniform Voidable Transaction Act, and similar laws of any state, territory, possession, or the District of Columbia. The Asset Purchase Agreement and the

Ancillary Agreements were not entered into for the purpose of hindering, delaying, or defrauding creditors under the Bankruptcy Code or under the laws of the United States, any state, territory, possession or the District of Columbia. Neither the Debtor nor the Purchaser is entering into the transactions contemplated by the Asset Purchase Agreement or the Ancillary Agreements fraudulently for the purpose of statutory and common law fraudulent conveyance and similar claims.

T. The Assigned Contracts are executory contracts or unexpired leases within the applicable meanings contemplated by the Bankruptcy Code. The inclusion of the rights to assume and assign the Assigned Contracts, as among the Acquired Assets under the terms of this Sale Order and the Asset Purchase Agreement, is an integral component of the overall deal reflected in the Asset Purchase Agreement. The inclusion within the Acquired Assets of the Assigned Contracts reflects the Chapter 11 Trustee's exercise of reasonable business judgment and is fair to all parties. The Court's approval of such treatment of the Assigned Contracts is in the best interests of the Debtor, the Debtor's estate, creditors, and all parties in interest.

U. Pursuant to terms of the Asset Purchase Agreement, the Purchaser is not merging or consolidating with the Debtor or its estate.

V. The provision of notice described in this Sale Order and on the record to non-Debtor parties to the Assigned Contracts regarding the treatment of such Assigned Contracts constituted adequate notice and opportunity to be heard with respect to the assumption by the Debtor and the assignment to the Purchaser of the Assigned Contracts and all relevant matters. The non-Debtor parties to the Assigned Contracts that did not timely object to assumption and assignment of the Assigned Contracts have waived any objections, and are hereby deemed to have consented, to the assumption by the Debtor and assignment to the Purchaser of the Assigned

Contracts and to the amount of the applicable Cure Costs. Accordingly, except as otherwise expressly provided in this Sale Order, each of the Assigned Contracts including, without limitation, each intellectual property agreement and each intellectual property license related to the Debtor's business or the Acquired Assets (such agreements and licenses, the "IP Agreements"), is assumable by the Debtor and assignable to the Purchaser under the terms of this Sale Order and the Asset Purchase Agreement, subject only to payment of the applicable Cure Costs under the terms of this Sale Order and the Asset Purchase Agreement.

W. The Purchaser's payment of the applicable Cure Costs, as set forth in **Exhibit B** hereto, under the terms of this Sale Order and the Asset Purchase Agreement shall effect a cure of all defaults existing under the applicable Assigned Contract as of the effective date of assignment and compensate for any actual pecuniary loss to each non-Debtor party to the Assigned Contract resulting from any such default, thereby satisfying the requirements of sections 365(b)(1)(A) and 365(b)(1)(B) of the Bankruptcy Code. The Purchaser has demonstrated adequate assurance of its future performance under the Assigned Contracts within the meanings of sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code, including, without limitation, by their promises to perform obligations under the Assigned Contracts. All requirements applicable to the assumption by the Debtor and/or the assignment to the Purchaser of each of the Assigned Contracts, under section 365 of the Bankruptcy Code or otherwise, have been satisfied.

X. The Asset Purchase Agreement and the Ancillary Agreements were negotiated, proposed, and entered into by the Debtor and the Purchaser without collusion, in good faith, and from arm's-length bargaining positions. The Chapter 11 Trustee dealt with several other parties interested in acquiring the Acquired Assets (as more fully disclosed on the record), and the Purchaser fully complied with the bidding procedures set forth in the Bidding Procedures Order.

Y. The Purchaser has not engaged in any conduct that would cause or permit the Asset Purchase Agreement, any Ancillary Agreement, or the transactions contemplated thereby to be avoided under section 363(n) of the Bankruptcy Code. Other than the claims arising under the Asset Purchase Agreement and the Ancillary Agreements, the Debtor and its estate agree and acknowledge that they have no claims against the Purchaser.

Z. The Chapter 11 Trustee agrees that the Asset Purchase Agreement, the Ancillary Agreements, and all other documents and information furnished to the Purchaser and the Purchaser's representatives by the Debtor pursuant hereto do not and will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements made and to be made not misleading.

AA. Time is of the essence in consummating the transactions contemplated by the Asset Purchase Agreement. The Chapter 11 Trustee and the Purchaser intend to close the sale under the Asset Purchase Agreement as soon as practicable.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motions are GRANTED as set forth herein.
2. Any and all objections or responses to the Motions, the relief requested therein, or the relief provided in this Sale Order that have not been withdrawn, resolved, or addressed in this Sale Order, are overruled in all respects on the merits.
3. The sale of the Acquired Assets and the consideration provided by Purchaser under the Asset Purchase Agreement are fair and reasonable and shall be deemed for all purposes to constitute a transfer for reasonably equivalent value and fair consideration under the Bankruptcy Code and any other applicable law.

4. Each of the terms of, and each of the transactions contemplated by, the Asset Purchase Agreement and each Ancillary Agreement is hereby approved and may be consummated. To the extent of any conflict or inconsistency between the provisions of this Sale Order and the terms and conditions of the Asset Purchase Agreement or any Ancillary Agreement, as applicable, this Sale Order shall govern and control.

5. The Chapter 11 Trustee and the Debtor and its officers, employees, and agents are authorized to take any and all actions necessary or appropriate to execute and deliver, perform under, consummate, implement, and close fully the Asset Purchase Agreement, the Ancillary Agreements, and each of the transactions contemplated thereby, including, without limitation, assignment of the Assigned Contracts, under the terms of this Sale Order and the Asset Purchase Agreement.

6. Except as provided in paragraph 36 of this Order, the transfers of the Acquired Assets to the Purchaser and the assignments of the Assigned Contracts to the Purchaser pursuant to this Sale Order and the Asset Purchase Agreement shall constitute legal, valid, binding, and effective transfers of the Acquired Assets and assignments of the Assigned Contracts, and shall vest the Purchaser with good and valid title to the Acquired Assets and with all rights under the Assigned Contracts, pursuant to sections 105(a), 363(b), and 363(f) of the Bankruptcy Code, free and clear of all Interests, except for the Interests of First National Bank Alaska stipulated to and approved by the Court [ECF No. 516], Assumed Liabilities and Permitted Encumbrances. At the Closing, with respect to the Acquired Assets and at the applicable effective dates with respect to the Assigned Contracts, all Interests shall be unconditionally released, terminated, and discharged solely as to and from the Acquired Assets, the Assigned Contracts, and the Purchaser, and shall attach to the sale proceeds with the same priority, validity, force, and effect that they had before

the sale of the Acquired Assets and assignments of the Assigned Contracts, including the Interests of the DIP Lender, subject to any claims and defenses that the Debtor and its estate may have with respect thereto. The sole and exclusive right and remedy available to any person or entity that asserts any Interest (a) in any way related to (i) the Acquired Assets that is incurred or otherwise arises prior to the date of the Closing, or (ii) the Assigned Contracts that is incurred or otherwise arises prior to the applicable effective date of assignment, or (b) by reason of the sale of the Acquired Assets to the Purchaser or the assignments of the Assigned Contracts to the Purchaser, shall be a right to assert such Interest against the Debtor's estate and the proceeds of sale of the Acquired Assets, and no right or remedy against the Purchaser, the Acquired Assets or the Assigned Contracts shall survive the Closing.

7. Upon the occurrence of the Closing, all Interests in, against, or upon the Acquired Assets or the Assigned Contracts shall be unconditionally released, terminated, and discharged (but solely as to the Purchaser, the Acquired Assets and the Assigned Contracts), without the need for any further action. Notwithstanding the foregoing, at the Closing, or as soon as practicable thereafter, (a) the Chapter 11 Trustee is hereby authorized to execute and file such termination statements, instruments of satisfaction, releases, or other documents to reflect the unconditional release, termination, and discharge of such Interests on behalf of such person or entity with respect to the Acquired Assets and the Assigned Contracts, and (b) the Purchaser is hereby authorized on behalf of each holder of a purported Interest to file, register, or otherwise record a copy of this Sale Order which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the unconditional release, termination, and discharge of all Interests in, against, or upon the Acquired Assets or the Assigned Contracts.

8. Except as provided in paragraphs 35 and 36 of this Order, all persons and entities (including, without limitation, all filing, registration, or recording officers or agents, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all others that may be required by operation of law, the duties of their offices, or contract, to accept, file, register, or record or release any documents or instruments, or that may be required to report or insure any title or state of title in or to any of the Acquired Assets or Assigned Contracts) are hereby (a) authorized to (i) accept this Sale Order as sole and sufficient evidence of the transfers of all right, title, and interest in, to, and under the Acquired Assets and the Assigned Contracts, and may rely on this Sale Order in consummating, or facilitating the consummation of, the transactions contemplated by the Asset Purchase Agreement and the Ancillary Agreements, and (ii) accept, file, register, and/or record all documents and instruments of transfer including, without limitation, deeds, leases, and assignments, modifications, and terminations of leases (if any), that may be filed, registered, and/or recorded under the terms of this Sale Order or the Asset Purchase Agreement; and (b) forever barred, prohibited, and enjoined from taking any action that would adversely affect or interfere with the ability of the Debtor to transfer the Acquired Assets to the Purchaser, or assign the Assigned Contracts to the Purchaser, in each case in accordance with the terms of this Sale Order and the Asset Purchase Agreement, free and clear of all Interests, and from otherwise interfering with the Purchaser's enjoyment of the Acquired Assets or the Assigned Contracts, provided, nothing contained herein shall provide a waiver of the payment of any transfer taxes.

9. Except with respect to the Assumed Liabilities and Permitted Encumbrances, and except as otherwise provided in paragraph 35 of this Order, all persons and entities, including, but

not limited to, all debt security holders, equity security holders, governmental, tax and regulatory authorities, lenders, trade creditors, litigation claimants and other creditors holding liens, Claims, Encumbrances or interests of any kind or nature whatsoever against or in all or any portion of the Acquired Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, liquidated or unliquidated or subordinate), arising under or out of, in connection with, or in any way relating to the Debtor, the Acquired Assets, the operation of the Debtor's business prior to the Closing Date or the transfer of the Acquired Assets to the Purchaser, hereby are forever barred, estopped and permanently enjoined from asserting against the Purchaser, any of its affiliates, successors or assigns, their property or the Acquired Assets (including without limitation the Assigned Contracts), such persons' or entities' liens, Claims, Encumbrances or interests, other than Assumed Liabilities or Permitted Encumbrances, in and to the Acquired Assets, including, without limitation the following actions: (i) commencing or continuing in any manner any action or other proceeding against the Purchaser, any of its affiliates, successors, assets or properties; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Purchaser, any of its affiliates, successors, assets or properties; (iii) creating, perfecting or enforcing any lien or other Claim against the Purchaser, or any of its affiliates, successors, assets or properties; (iv) asserting any setoff not validly taken pre-petition or right of subrogation of any kind against any obligation due Purchaser, any of its affiliates or successors (provided, any right of setoff in favor of the United States is reserved); (v) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with the provisions of this Order or other orders of the Bankruptcy Court, or the agreements or actions contemplated or taken in respect thereof; or (vi) revoking, terminating or

failing or refusing to renew any license, permit or authorization to operate any of the Acquired Assets or conduct any of the business operated with the Acquired Assets.

10. The sale of the Acquired Assets and assignment of the Assigned Contracts shall be free and clear of all Interests because, in each case, one or more of the standards set forth in sections 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. The holders of Interests that did not object, or that withdrew their objections, to the Sale Motion are hereby deemed to have consented to the sale of the Acquired Assets and assignments of the Assigned Contracts free and clear of their Interests, which satisfies section 363(f)(2) of the Bankruptcy Code. To the extent that the consideration to be received under the Asset Purchase Agreement exceeds the value of all Interests in the Acquired Assets and the Assigned Contracts, section 363(f)(3) is satisfied. Section 363(f)(5) is satisfied because, among other things, under applicable state law, the holders of Interests could be compelled in foreclosure or receivership proceedings to accept money satisfactions of their Interests in amounts less than the actual amounts of the Interests. All Interests are adequately protected as they will attach to the sale proceeds with the same priority, validity, force, and effect that they had before the sale of the Acquired Assets and assignments of the Assigned Contracts, including the Interests of the DIP Lender, subject to any claims and defenses that the Debtor and its estate may have with respect thereto.

11. All persons and entities that are presently, or at the Closing may be, in possession of some or all of the Acquired Assets are hereby directed, at such person's or entity's sole expense, to surrender possession of the Acquired Assets to the Purchaser at the Closing, or as otherwise directed by the Purchaser, with any Interests of such persons or entities to be satisfied solely from the sale proceeds or other property of the Debtor's estate.

12. To the extent provided by Bankruptcy Code section 525, no governmental unit may deny, revoke, suspend, or refuse to renew any permit, license, or similar grant relating to the operation of the Acquired Assets sold, transferred, or conveyed to the Purchaser on account of the filing or pendency of this chapter 11 case.

13. For the avoidance of doubt, any privileges, protections or immunities of the Debtor for communications, documents, materials or matters arising at any time, whether before or after the Petition Date, including but not limited to any attorney-client privilege, work product doctrine, common interest or joint defense privilege, relating to any matter whatsoever, including without limitation any matter relating to the negotiation and implementation of the Asset Purchase Agreement and any of the transactions contemplated thereby or entered into in connection therewith (collectively, "Privileges") shall not be Acquired Assets under the Asset Purchase Agreement, and any such Privilege is owned and will continue to be owned by the Chapter 11 Trustee, and notwithstanding anything to the contrary herein or in the Asset Purchase Agreement, the Purchaser shall have no interest in or rights with respect to the Privileges, whether pursuant to this Order, the Asset Purchase Agreement, or otherwise. The Privileges shall remain within the sole control of the Chapter 11 Trustee and may not be waived by any other person or entity.

14. Except for the Assumed Liabilities, the consummation of the transactions contemplated by the Asset Purchase Agreement or any Ancillary Agreement, including, without limitation, the transfers of the Acquired Assets and the assignments of the Assigned Contracts, shall not subject the Purchaser or its respective affiliates, successors, and assigns to any liability or responsibility for any liability or other obligation of the Debtor or the Debtor's estate arising prior to the Closing Date, or with respect to the Assigned Contracts prior to the applicable effective dates of assignment, including, without limitation, liabilities arising, accruing, or payable under,

out of, in connection with, or in any way relating to the Acquired Assets, the Assigned Contracts, or the other assets, operations, activities, or business of the Debtor.

15. To the greatest extent available under applicable law, and except as otherwise provided in this Order, the Purchaser shall be authorized, as of the Closing Date and upon the occurrence of the Closing, to operate under any transferred license, permit, registration and governmental authorization or approval of the Debtor with respect to the Acquired Assets, and all such licenses, permits, registrations and governmental authorizations and approvals are deemed to have been, and hereby are, directed to be transferred to the Purchaser as of the Closing Date.

16. The provisions of this Order authorizing the sale of the Acquired Assets free and clear of liens, claims, and encumbrances and interests, other than Assumed Liabilities, shall be self-executing, and neither the Debtor nor the Purchaser shall be required to execute or file releases, termination statements, assignments, consents, or other instruments in order to effectuate, consummate and implement the provisions of this Order. However, the Chapter 11 Trustee and the Purchaser, and each of their respective officers, employees and agents are hereby authorized and empowered to take all actions and execute and deliver any and all documents and instruments that either the Chapter 11 Trustee or the Purchaser deem necessary or appropriate to implement and effectuate the terms of the Asset Purchase Agreement, the Ancillary Agreements, and this Sale Order. Moreover, effective as of the Closing, the Purchaser, its successors and assigns, shall be designated and appointed the Debtor's true and lawful attorney and attorneys, with full power of substitution, in the Debtor's name and stead, on behalf and for the benefit of the Purchaser, its successors and assigns, to demand and receive any and all of the Acquired Assets and to give receipts and releases for and in respect of the Acquired Assets, or any part thereof, and from time to time to institute and prosecute in the Debtor's name, for the benefit of the Purchaser, its

successors and assigns, any and all proceedings at law, in equity or otherwise, which the Purchaser, its successors and assigns, may deem proper for the collection or reduction to possession of any of the Acquired Assets, and to do all acts and things with respect to the Acquired Assets which the Purchaser, its successors and assigns, shall deem desirable. The foregoing powers are coupled with an interest and are and shall be irrevocable by the Debtor.

17. The Purchaser shall not be deemed a “successor” or alter-ego of the Debtor or its estate by reason of any theory of law or equity, and the Purchaser shall not assume, nor be deemed to assume, or in any way be responsible for any liability or obligation of the Debtor and/or its estate including, but not limited to, any bulk sales law, successor liability, liability or responsibility for any Claim against the Debtor or against an insider of the Debtor, or similar liability except as otherwise expressly provided in the Asset Purchase Agreement. Except to the extent Purchaser assumed the Assumed Liabilities pursuant to the Asset Purchase Agreement, in accordance with Section 363(f) and the Bankruptcy Code, neither the purchase of the Acquired Assets by the Purchaser, nor the fact that Purchaser is using any of the Acquired Assets previously operated by the Debtor, will cause the Purchaser to be deemed a successor or alter-ego in any respect to the Debtor’s business within the meaning of, or in connection with, (i) any foreign, federal, state or local revenue, pension, ERISA, including but not limited to any withdrawal liability, tax, labor, employment, antitrust, environmental laws, or other law, rule or regulation (including, without limitation, filing requirements under any such laws, rules or regulations), (ii) under any products liability law or doctrine with respect to the Debtor’s liability under such law, rule or regulation or doctrine, or under any product warranty liability law or doctrine with respect to the Debtor’s liability under such law, rule or regulation or doctrine, (iii) any employment or labor agreements, collective bargaining agreements, consulting agreements, severance arrangement, change-in-

control agreements or other similar agreements to which the Debtor is a party, (iv) any pension, health, welfare, compensation or other employees or retiree benefit plans, agreement, practices and programs, including, without limitation, any pension plan of the Debtor, (v) the cessation of the Debtor's operations, dismissal of employees, or termination of employment or labor agreements, collective bargaining agreements, or pension, health, welfare, compensation or other employee or retiree benefit plans, agreements, practices and programs, and any obligation that might otherwise arise from any such cessation, dismissal or termination pursuant to any law of the United States, any State therein, or any other jurisdiction in the world, whether such obligations arise under any contract, agreement, statute, regulation, ordinance, common law, public policy, constitution or any other source, including with limitation, the Employee Retirement Income Security Act of 1974, as amended, the Fair Labor Standard Act, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1964, the Age Discrimination and Employment Act of 1967, the Federal Rehabilitation Act of 1973, the National Labor Relations Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, COBRA, or the Worker Adjustment and Restraining Notification Act, (vi) environmental liabilities, debts, claims or obligations arising from the condition first existing on or prior to Closing (including, without limitation, the presence of hazardous, toxic, polluting, or contaminating substances or wastes), which may be asserted on any basis, including without limitation under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et. Seq., (vii) any liabilities, debts or obligations of or required to be paid by, the Debtor for any taxes relating to the operation of the Acquired Assets prior to the Closing, and (ix) any litigation. The Purchaser shall have no successor, alter ego, or vicarious liability of any kind or character.

18. As of the Closing, the Purchaser shall have any and all rights, claims, defenses, and offsets held by the Debtor and/or the Debtor's estate with respect to the Assumed Liabilities.

19. Any provision in any of the Assigned Contracts purporting in any way to restrict, condition, or prohibit the Debtor's ability to assign the Assigned Contracts to the Purchaser or to impose any similar restraints on alienation is unenforceable and no such provision shall prevent or in any way impair the assignments of any Assigned Contracts to the Purchaser or the Purchaser's enjoyment of the Debtor's rights thereunder following such assignments.

20. Subject to the procedures set forth in this Sale Order and the terms of the Asset Purchase Agreement, the Debtor is authorized to assume and assign to the Purchaser the Assigned Contracts, pursuant to sections 105 and 365 of the Bankruptcy Code. Such assignments shall be free and clear of all Interests, except for the Assumed Liabilities, with all such Interests deemed unconditionally released, terminated, and discharged as to the Assigned Contracts and the Purchaser and, following assignment, the Purchaser shall be fully and irrevocable vested with all of the Assigned Contracts. Such assignments of the Assigned Contracts shall be entitled to all of the benefits and protections afforded by this Sale Order in connection with the Acquired Assets and the transfers thereof as if the Assigned Contracts were among the Acquired Assets. Pursuant to section 365(k) of the Bankruptcy Code, the Debtor and the Debtor's estate shall be relieved from any liability for any breach of an Assigned Contract occurring after the effective date of the applicable assignment.

21. Any provision in any Assigned Contract that purports to declare a breach, default or payment right as result of an assignment or a change of control in respect of the Debtor is unenforceable, and all such Assigned Contracts shall remain in full force and effect, subject only to payment of the appropriate Cure Amount, if any. No sections or provisions of any Assigned

Contract that purports to provide for additional payments, rent accelerations, assignment fees, increases, payments, charges or any other fees charged to the Purchaser or the Debtor as a result of the assumption and the assignment of the Assigned Contracts shall have any force and effect with respect to the transactions contemplated by the Asset Purchase Agreement and assignments authorized by this Order, and such provisions constitute unenforceable anti-assignment provisions under Section 363(f) of the Bankruptcy Code. The Purchaser shall not be required, pursuant to section 365(l) of the Bankruptcy Code or otherwise, to provide any additional deposit or security with respect to any Assigned Contract to the extent not previously provided by the Debtor.

22. The Cure Amounts are hereby fixed at the amounts set forth in **Exhibit B** hereto, and the non-Debtor counterparties to the Assigned Contracts are forever bound by such Cure Amounts and are hereby precluded from objecting to the Cure Amounts (if any) related to such Assigned Contracts and the assumption and assignment of any Assigned Contract and enjoined from taking any action against the Purchaser or the Acquired Assets with respect to any claim for cure, alleged default, or any other claim that purports to have accrued or arisen prior to assignment, under any Assigned Contract.

23. The Purchaser has satisfied all requirements under Bankruptcy Code sections 365(b)(1) and 365(f)(2) to provide adequate assurance of future performance under the Assigned Contracts.

24. To the greatest extent available under applicable law, and except as otherwise provided in paragraph 36 of this Order, the Purchaser shall be authorized, as of the Closing Date, to operate under any licenses, permits, registrations, certificates, approvals, authorizations, Leases, Contracts, agreements, and other commitments relating to the Acquired Assets, and all such licenses, permits, registrations, certificates, approvals, authorizations, Leases, Contracts,

agreements, and other commitments relating to the Acquired Assets are deemed to have been, and are hereby directed to be, transferred to the Purchaser or any assignee of the Purchaser as of the Closing.

25. The Asset Purchase Agreement or any Ancillary Agreement may be modified, amended, or supplemented by the parties thereto without further order of the Court, provided that any such modification, amendment, or supplement is (a) neither material; (b) nor materially changes the economic substance of the transactions contemplated hereby. For purposes of this Sale Order, whether a change described in the preceding sentence is “material” or “materially changes” the transactions authorized herein shall be determined by the Chapter 11 Trustee in his reasonable discretion, provided that a change that results in a change to the cash component of the Purchase Price shall constitute a material change; provided, however, that the Chapter 11 Trustee may seek a further order from this Court on five (5) business days’ notice for approval of any requested change to the Asset Purchase Agreement or any Ancillary Agreement (whether or not the Chapter 11 Trustee deems such change or changes material).

26. Except as expressly provided otherwise in paragraph 35 of this Order, this Court shall retain exclusive jurisdiction to (a) enforce this Sale Order and Asset Purchase Agreement and Ancillary Agreements and any and all amendments or modifications to any of the foregoing, and any and all waivers or consents under or in connection with any of the foregoing, (b) compel delivery of the Acquired Assets to the Purchaser, and assignment of the Assigned Contracts to the Purchaser, (c) resolve any disputes arising under or relating to this Sale Order or Asset Purchase Agreement, (d) enjoin and adjudicate the assertion of any Interest against or in respect of the Purchaser, or any assignee of the Purchaser, the Acquired Assets, or the Assigned Contracts, and

(e) otherwise interpret, implement, and enforce the provisions of this Sale Order and Asset Purchase Agreement or any Ancillary Agreement.

27. Unless otherwise expressly agreed by the Purchaser in writing, nothing contained in any subsequent order of this Court or in any plan of reorganization or liquidation confirmed in the Debtor's case shall alter, conflict with, or derogate from the provisions of the Asset Purchase Agreement or any Ancillary Agreement or the terms of this Sale Order.

28. The Purchaser shall have no obligation to proceed with the Closing until all conditions precedent in the Asset Purchase Agreement to its obligation to do so have been met, satisfied, or waived in accordance with the terms of the Asset Purchase Agreement.

29. The Purchaser is hereby granted and is entitled to all of the protections provided to a good faith purchaser under section 363(m) of the Bankruptcy Code, including, without limitation, with respect to all of the transactions (part of which includes the transfer of the Assigned Contracts as part of the sale of the Acquired Assets pursuant to section 365 of the Bankruptcy Code and this Order).

30. The failure to include specifically any particular provision of the Asset Purchase Agreement or any Ancillary Agreement in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of this Court that the Asset Purchase Agreement and the Ancillary Agreements be authorized and approved in its entirety. To the extent of any conflict or inconsistency between the provisions of this Sale Order and the terms and conditions of the Asset Purchase Agreement or any Ancillary Agreement, as applicable, this Sale Order shall govern and control.

31. The terms of this Sale Order, the Asset Purchase Agreement, and the Ancillary Agreements shall in all respects be binding upon and enforceable against all persons and entities,

including, without limitation, the Debtor, the Debtor's estate, the Chapter 11 Trustee, any chapter 7 trustee of the Debtor's estate, any committees appointed in the Debtor's bankruptcy case, creditors, and other parties in interest.

32. The Purchaser shall not be required to seek or obtain relief from the automatic stay under section 362 of the Bankruptcy Code to enforce any of its remedies under the Asset Purchase Agreement or any Ancillary Agreement. The automatic stay imposed by section 362 of the Bankruptcy Code is modified solely to the extent necessary to implement the preceding sentence and the other provisions of this Sale Order.

33. The stays imposed by Bankruptcy Rules 6004(h), 6006(d), and 7062 are hereby waived, and this Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing. In the absence of any person obtaining a stay pending appeal, the Debtor and the Purchaser are free to close under the Asset Purchase Agreement at any time, subject to the terms of the Asset Purchase Agreement. In the absence of any person obtaining a stay pending appeal, if the Debtor and the Purchaser close under the Asset Purchase Agreement, the Purchaser shall be deemed to be acting in "good faith" and shall be entitled to the protections of section 363(m) of the Bankruptcy Code as to all aspects of the transactions if this Order or any authorization contained herein is reversed or modified on appeal.

34. No bulk sales law, bulk transfer law or similar law of any state or other jurisdiction (including those relating to Taxes) shall apply in any way to the transactions contemplated by the Asset Purchase Agreement, any Ancillary Agreement, or this Sale Order. Except as otherwise expressly provided in the Asset Purchase Agreement, all obligations of the Debtor relating to Taxes, whether arising under any law, by the Asset Purchase Agreement, or otherwise shall be the obligation of and fulfilled and paid by the Debtor.

35. Nothing in this Order or the Asset Purchase Agreement releases, nullifies, precludes or enjoins the enforcement of any police or regulatory liability to a governmental unit that any entity would be subject to as the post-sale owner or operator of property after the date of entry of this Order. Nothing in this Order or the Asset Purchase Agreement authorizes the transfer or assignment of any governmental (a) license, (b) permit, (c) registration, (d) authorization, or (e) approval, or the discontinuation of any obligation thereunder, without compliance with all applicable legal requirements and approvals under police or regulatory law. Nothing in this Order divests any tribunal of any jurisdiction it may have under police or regulatory law to interpret this Order or to adjudicate any defense asserted under this Order. Nothing in this Sale Order shall enjoin, release, impair or otherwise preclude the United States from pursuing any criminal action or any police or regulatory action or from pursuing any liability to the United States that is not a “claim” within the meaning of section 101(5) of the Bankruptcy Code.

36. Notwithstanding anything in this Order to the contrary, unless otherwise approved or determined by the FAA, the Debtor’s FAA Operating Certificate is non-transferable. The FAA may issue a new operating certificate to the Purchaser only after the FAA has evaluated the Purchaser and determined that it is properly and adequately equipped and able to conduct safe operations in accordance with applicable federal law. The DOT Certificate cannot be transferred without the prior approval of the Department of Transportation.

37. The Chapter 11 Trustee is hereby authorized, without need for Board approval or other further action of this Court or any other person, to (a) change the corporate name of the Debtor and (b) change the caption of papers and pleadings filed in this chapter 11 case, all as contemplated in the Asset Purchase Agreement. Upon request by the Chapter 11 Trustee, the clerk

of the Court shall, and is hereby authorized to, make docket entries and take further action to reflect the Debtor's name change.

38. Each and every federal, state, and local governmental agency or department is hereby authorized to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Asset Purchase Agreement, any Ancillary Agreement, and this Order.

39. The provisions of this Sale Order are mutually dependent and non-severable without the express written consent of the Purchaser.

40. The assets sold include personally identifiable information ("PII") as defined in Section 101(41A) of the Bankruptcy Code. The sale authorized herein is entirely consistent with the Debtor's privacy policy concerning the transfer of PII.

41. Notwithstanding any provision in this order, this Sale Order shall not in any way impair (a) the DIP Lender's rights against the Debtor's estate or the Acquired Assets; (b) the Stalking Horse Bidder's right to the \$250,000 Expense Reimbursement approved in ECF No. 472; or (c) the rights of the Trustee and his professionals to compensation, including the right, if any, to claim surcharge under Section 506(c), and nothing in this Sale Order will be deemed a waiver of these rights.

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42. Notwithstanding any provision in this order, other than the Passenger Services Agreement for (BOS), the Alaska Airlines Contracts are not Assigned Contracts (as those terms are defined in the Asset Purchase Agreement), and are therefore not Acquired Assets. Alaska Airlines has consented to the assumption and assignment of the Passenger Services Agreement for (BOS) to Purchaser at closing.

Dated: October 10, 2018

/s/ Gary Spraker
GARY SPRAKER
United States Bankruptcy Judge

Serve: G. McHale, Jr., 1601 Jackson Street, Suite 200, Fort Meyers, FL 33901
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E. LeRoy, Esq.
K. Perkins, Esq.
ECF Participants via NEF
U.S. Trustee
Case Manager

**EXHIBIT “A”
TO SALE ORDER**

ASSET PURCHASE AGREEMENT

BY AND BETWEEN

PENINSULA AIRWAYS, INC. AND PENINSULA AVIATION SERVICES, INC.

Dated as of October 5, 2018

TABLE OF CONTENTS

| | Page |
|-------------------------------------------------------------|-------------|
| ARTICLE 1 DEFINITIONS..... | 1 |
| Section 1.1 Certain Terms Defined | 1 |
| Section 1.2 Interpretation | 1 |
| ARTICLE 2 PURCHASE AND SALE OF THE ACQUIRED ASSETS | 2 |
| Section 2.1 Purchase and Sale of Assets | 2 |
| Section 2.2 Excluded Assets..... | 5 |
| Section 2.3 Assumption of Liabilities | 6 |
| Section 2.4 Excluded Liabilities..... | 7 |
| Section 2.5 Assignment and Assumption of Contracts | 9 |
| Section 2.6 Right to Change Designations | 11 |
| ARTICLE 3 CONSIDERATION | 11 |
| Section 3.1 Good Faith Deposit..... | 11 |
| Section 3.2 Purchase Price..... | 11 |
| Section 3.3 Allocation of Purchase Price | 12 |
| ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF SELLER..... | 12 |
| Section 4.1 Organization | 12 |
| Section 4.2 Authorization of Agreement..... | 12 |
| Section 4.3 Conflicts; Consents of Third Parties..... | 13 |
| Section 4.4 Title to the Acquired Assets | 14 |
| Section 4.5 Contracts..... | 14 |
| Section 4.6 Property | 14 |
| Section 4.7 Intellectual Property | 14 |
| Section 4.8 Permits | 14 |
| Section 4.9 Employee Benefit Plans; Employees..... | 15 |
| Section 4.10 Labor Relations..... | 15 |
| Section 4.11 Environmental Matters | 15 |
| Section 4.12 Insurance..... | 15 |
| Section 4.13 No Brokers or Finders | 15 |
| Section 4.14 Litigation; Proceeding | 16 |
| Section 4.15 Compliance with Laws | 16 |
| Section 4.16 Taxes..... | 16 |

| | | |
|-------------------------------------------------------------------|-----------------------------------------------------------|----|
| Section 4.17 | Financial Statements..... | 16 |
| Section 4.18 | Citizenship..... | 16 |
| Section 4.19 | Station Leases and Equipment..... | 17 |
| ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF PURCHASER..... | | 18 |
| Section 5.1 | Organization | 18 |
| Section 5.2 | Authorization and Validity | 18 |
| Section 5.3 | No Conflict or Violation..... | 18 |
| Section 5.4 | Consents and Approval..... | 18 |
| Section 5.5 | Financing | 19 |
| Section 5.6 | Litigation | 19 |
| Section 5.7 | No Other Representations and Warranties | 19 |
| ARTICLE 6 COVENANTS AND OTHER AGREEMENTS..... | | 19 |
| Section 6.1 | Pre-Closing Covenants of Seller..... | 19 |
| Section 6.2 | Pre-Closing Covenants of Purchaser | 22 |
| Section 6.3 | Other Covenants of Seller and Purchaser | 23 |
| Section 6.4 | Employment Covenants and Other Undertakings | 23 |
| Section 6.5 | Casualty | 24 |
| Section 6.6 | Confidentiality | 25 |
| Section 6.7 | Collection on Acquired Assets | 25 |
| Section 6.8 | Waiver of Bulk Sales Law..... | 25 |
| ARTICLE 7 TAXES..... | | 25 |
| Section 7.1 | Taxes Related to Purchase of Acquired Assets | 25 |
| ARTICLE 8..... | | 26 |
| ARTICLE 9 CONDITIONS PRECEDENT TO PERFORMANCE BY THE PARTIES..... | | 26 |
| Section 9.1 | Conditions Precedent to Performance by Seller | 26 |
| Section 9.2 | Conditions Precedent to the Performance by Purchaser..... | 27 |
| ARTICLE 10 CLOSING AND DELIVERIES..... | | 29 |
| Section 10.1 | Closing..... | 29 |
| Section 10.2 | Seller's Deliveries..... | 30 |
| Section 10.3 | Purchaser's Deliveries | 30 |
| ARTICLE 11 TERMINATION..... | | 30 |
| Section 11.1 | Termination | 30 |
| Section 11.2 | Effect of Termination | 32 |
| ARTICLE 12 MISCELLANEOUS | | 33 |

| | | |
|---------------|-----------------------------------|----|
| Section 12.1 | Survival..... | 33 |
| Section 12.2 | Further Assurances | 33 |
| Section 12.3 | Successors and Assigns | 33 |
| Section 12.4 | Governing Law; Jurisdiction | 34 |
| Section 12.5 | Expenses | 34 |
| Section 12.6 | Severability..... | 34 |
| Section 12.7 | Notices | 34 |
| Section 12.8 | Amendments; Waivers | 36 |
| Section 12.9 | Entire Agreement..... | 36 |
| Section 12.10 | Seller Disclosures..... | 36 |
| Section 12.11 | Headings..... | 37 |
| Section 12.12 | Counterparts | 37 |
| Section 12.13 | Name Change | 37 |
| Section 12.14 | Payments and Revenues | 37 |
| Section 12.15 | Waiver of Jury Trial | 37 |
| Section 12.16 | No Third Party Beneficiaries..... | 38 |

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “**Agreement**”), is made and entered into as of October 5, 2018 (the “**Effective Date**”), by and between Peninsula Airways, Inc., an Alaska corporation (“**Seller**”), and Peninsula Aviation Services, Inc., a Delaware corporation (together with its permitted successors, designees and assigns, the “**Purchaser**”).

RECITALS:

The Seller operates an airline passenger business and cargo (mail and freight) business based in Alaska well as a ground handling services business based in both Alaska and in Boston, Massachusetts (collectively, the “**Business**”).

The Seller previously filed a voluntary petition for relief under chapter 11 of the U.S. Bankruptcy Code 11 U.S.C. § 101 et seq. (the “**Bankruptcy Code**”) and is a Debtor in Case No. 17-00282 GS (the “**Bankruptcy Case**”) currently pending in the U.S. Bankruptcy Court for the District of Alaska (the “**Bankruptcy Court**”). Gerard A. McHale, Jr. (the “**Trustee**”) was appointed by the Bankruptcy Court as Chapter 11 Trustee for the Seller;

Trustee on behalf of the Seller desires to sell, transfer and assign to Purchaser, and Purchaser desires to acquire and assume from Seller, pursuant to Sections 363 and 365 of the Bankruptcy Code, the Acquired Assets and the Assumed Liabilities as more specifically provided herein;

Trustee has determined that it is advisable and in the best interests of the Seller to consummate the transactions provided for herein pursuant to the Bidding Procedures Order and the Bankruptcy Sale Order and has approved this Agreement; and

The transactions contemplated by this Agreement are subject to the approval of the Bankruptcy Court and will be consummated only pursuant to the Bankruptcy Sale Order to be entered in the Bankruptcy Case.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and Seller and Purchaser, intending to be legally bound hereby, agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.1 Certain Terms Defined. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings ascribed to such terms on Schedule 1 attached hereto and as set forth elsewhere herein.

Section 1.2 Interpretation. When a reference is made in this Agreement to a section or article, such reference shall be to a section or article of this Agreement unless otherwise clearly indicated to the contrary.

(a) Whenever the words “include,” “includes” or “including” are used in this Agreement they shall be deemed to be followed by the words “without limitation.”

(b) The words “hereof,” “herein” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement, and article, section, paragraph, exhibit and schedule references are to the articles, sections, paragraphs, exhibits and schedules of this Agreement unless otherwise specified.

(c) The meaning assigned to each term defined herein shall be equally applicable to both the singular and the plural forms of such term. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

(d) A reference to any party to this Agreement or any other agreement or document shall include such party’s permitted successors and assigns.

(e) Any reference to any specific contract, guaranty, lease, agreement or item shall not operate to exclude such contract, guaranty, lease, agreement or item from any broader defined term herein contained which would otherwise encompass such contract, guaranty, lease, agreement or item generally;

(f) A reference to any legislation or to any provision of any legislation shall include any amendment to, and any modification or reenactment thereof, any legislative provision substituted therefor and all regulations and statutory instruments issued thereunder or pursuant thereto.

(g) Any reference in this Agreement to \$ shall mean U.S. dollars.

(h) The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party hereto by virtue of the authorship of any provision of this Agreement.

(i) A reference to a Schedule that is not appended hereto shall be deemed to be appended and have, as content, the word “None.”

ARTICLE 2

PURCHASE AND SALE OF THE ACQUIRED ASSETS

Section 2.1 Purchase and Sale of Assets. Subject to the terms and conditions set forth in this Agreement, at the Closing, Purchaser shall purchase, acquire and accept from Seller, and Seller shall sell, transfer, assign, convey and deliver to Purchaser, all of Seller’s direct or indirect, right, title and interest in, to and under all of Seller’s tangible and intangible assets, properties and rights as of the Closing Date of whatever kind or nature and wherever situated or located, other than the Excluded Assets, free and clear of all pledges, security interests, Liens, Claims, Interests or Encumbrances (other than Permitted Exceptions and Permitted Liens). All of such assets, properties and rights (other than the Excluded Assets) are collectively referred to in this Agreement

as the “**Acquired Assets.**” Without limitation of the foregoing, the Acquired Assets shall include all Seller’s right, title and interest in, to and under the following assets as of the Closing Date, except to the extent that any of the following are also enumerated in **Section 2.2** as being Excluded Assets:

- (a) all Accounts Receivable;
- (b) all Inventories;
- (c) to the extent that they are Assigned Contracts, airport Facility Leases and any other leases, agreements and licenses or arrangements at Stations in Alaska and Massachusetts (collectively, the “**Station Leases**”), together with all Station Property, in each case relating to such assumed Station Leases;
- (d) subject to the approval of the United States Department of Transportation (“**DOT**”) and the FAA, Seller’s Certificate of Public Convenience and Necessity issued by the DOT under 49 U.S.C. Chapter 411 and Seller’s Air Carrier Certificate and Operations Specifications issued by the FAA under 14 CFR Part 121 and 14 CFR Part 135;
- (e) [Reserved];
- (f) all Seller’s rights to subsidies or other benefits under the Essential Air Service program;
- (g) all deposits (including, without limitation, security deposits (whether maintained in escrow or otherwise) for Aircraft Leases (except to the extent that such Aircraft Lease is an Excluded Asset under **Section 2.2** below), assumed property leases, utilities and Assumed Assets, the FNBA Deposit, rent, electricity, telephone or otherwise), advances, prepayments, reserves, rights in respect of promotional allowances, vendor rebates and other refunds, claims, causes of action, rights of recovery, rights under guaranties, rights of set-off and rights of recoupment of every kind and nature (whether or not known or unknown or contingent or non-contingent), and the right to receive and retain mail, Accounts Receivable payments and other communications of Seller and the right to ticket revenue in respect to transportation or other services performed but unbilled or uncollected as of the Closing, provided, moreover, all deposits provided to any utility provider under Section 366 of the Bankruptcy Code shall be payable to Purchaser upon termination of the utility service;
- (h) to the extent that such lease (and any such agreement related thereto, if any) is an Assigned Contract, all rights under a lease (and any agreement related thereto) for a Leased Property, in each case together with all interests in and to all Improvements and fixtures located thereon or attached thereto, and other appurtenances thereto, and rights in respect thereof;
- (i) all aircraft, engines and propellers;
- (j) all real property and real property fixtures;
- (k) all information technology systems;

- (l) all office furniture and furnishings;
- (m) all pre-Closing ticket and freight sales, charter payments, and proceeds for flights to be flown post-Closing;
- (n) all Ground Support Equipment and other FF&E, including without limitation the assets identified in **Schedule 2.1(n)**;
- (o) all Intellectual Property;
- (p) all Assigned Contracts;
- (q) all Permits, to the extent assignable;
- (r) all manuals for FAA 14 CFR Part 121 operating certificate, FAA 14 CFR Part 135 operating certificate, and other FAA operating certificates;
- (s) all recoverable mail and freight receivables and overpayments of any governmental taxes, fees and charges;
- (t) except to the extent that such insurance policy is an Excluded Asset under **Section 2.2(f)** below and to the extent assignable, all rights under or arising out of all insurance proceeds and insurance policies relating to the Business or any of the Acquired Assets (including, without limitation, returns and refunds of any premiums paid, or other amounts due back to Seller, with respect to cancelled policies), unless non-assignable as a matter of Law;
- (u) all motor vehicles owned by Seller;
- (v) all rights under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of Seller or with third parties (including, without limitation, any non-disclosure or confidentiality, non-compete, or non-solicitation agreements entered into in connection with the Auction);
- (w) Assigned or potential Causes of Action, settlements, or litigation awards;
- (x) to the extent assignable, all rights under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers, contractors and any other Person to the extent relating to products or services purchased by or provided, to Seller or to the extent affecting any Acquired Assets, other than any warranties, representations and guarantees pertaining to any Excluded Assets;
- (y) all books and records of Seller (excluding Seller's corporate books and records and corporate, financial and Tax records, work papers and other records that Seller is required by Law to retain, copies of which, however, shall be provided to Purchaser upon request);
- (z) [reserved];
- (aa) all bank accounts, checkbooks and cancelled checks of Seller;

- (bb) all Data and Documents;
- (cc) all (or the benefit of all, to the extent not assignable) Tax refunds, rebates, credits and similar items of Seller, in each case relating to any period, or portion of any period, on or prior to the Closing Date or any Tax Return;
- (dd) all telephone numbers, fax numbers, e-mail addresses, websites, URLs and internet domain names;
- (ee) all goodwill of the Business;
- (ff) all prepaid assets;
- (gg) the Aircraft Leases, but only to the extent that they are Assigned Contracts;
- (hh) all notes receivable of the Seller; and
- (ii) other assets related to, associated with or used in the conduct of the Business and/or the Acquired Assets, excepting therefrom only the Excluded Assets.

If Purchaser desires to assume the rights or other benefits relating to Assigned Contracts, manufacturer warranties, guaranties or Permits which in any such case are non-assignable, Seller will use its best reasonable efforts to seek the necessary consents to such assignment, and failing to obtain such consent, will, at Purchaser's option, sublease or otherwise arrange or make available the benefits and use thereunder to Purchaser after Closing in such manner and by such means as Purchaser may reasonably request.

Section 2.2 Excluded Assets. Notwithstanding anything to the contrary in this Agreement, nothing herein shall be deemed to sell, transfer, assign or convey any of the Excluded Assets to Purchaser; Purchaser hereby disclaims all liability or responsibility with respect to any of the Excluded Assets; and Seller shall retain all right, title and interest to, in and under, and all obligations with respect to the Excluded Assets. For all purposes of and under this Agreement, and as the same may be amended pursuant to **Section 2.6**, the term "**Excluded Assets**" shall consist of the following items and assets:

- (a) any asset of Seller that would constitute an Acquired Asset but for the fact that it is conveyed, leased or otherwise disposed of, in the Ordinary Course of Business prior to the Closing Date not in violation of this Agreement;
- (b) the corporate books and records of the Seller and corporate proceedings, financial and Tax records, work papers and other records that Seller is required by Law to retain; provided, however, copies of the foregoing items shall be provided by Seller to Purchaser upon request;
- (c) the rights of Seller under this Agreement and all Cash and non-Cash consideration payable or deliverable to Seller under this Agreement;
- (d) Cash;

- (e) all rights under or arising out of insurance policies not relating to the Business or the Acquired Assets;
 - (f) all Tax attributes of Seller;
 - (g) all Rejected Contracts;
 - (h) all Causes of Action arising under Chapter 5 of the Bankruptcy Code that are not Assigned Causes of Action;
 - (i) except for the Assumed Employee Liabilities, all Employee Benefit Plans;
- and
- (j) Permits that are not assignable; and
 - (k) the Alaska Airlines Contracts other than the Passenger Services Agreement for (BOS).

Section 2.3 Assumption of Liabilities. Upon the terms and subject to the conditions of this Agreement, Purchaser shall, effective at the time of the Closing, assume and agree to discharge and perform when due, the liabilities and obligations of Seller (and only those liabilities and obligations of Seller) which are enumerated in this **Section 2.3** (the “**Assumed Liabilities**”):

(a) certain of Seller’s liabilities and obligations under the Assigned Contracts, as more fully set forth in Bankruptcy Court’s order authorizing the Seller to assign the Assigned Contracts;

(b) all liabilities and obligations relating to (i) ordinary accruals for wages, commissions, expense reimbursements and severance obligations, and liabilities of the Retained Employees, that accrued for the period after the Closing, (ii) ordinary accruals for vacation days and sick days of the Retained Employees that accrued for the period prior to and after the Closing, (iii) worker’s compensation claims of the Retained Employees arising from incidents that occur after the Closing, (iv) the exempt or non-exempt status of any Employee for the period after the Closing, and (v) litigation, including without limitation any claims for wrongful termination, any claims under Title VII of the Civil Rights Act of 1964, as amended, or similar state Law, and any whistleblower claims with respect to Retained Employees for the period after the Closing (collectively, the “**Assumed Employee Liabilities**”);

(c) those specific liabilities and obligations of Seller (if any) arising under Environmental Laws identified on Schedule 2.3(c) (the “**Assumed Environmental Liabilities**”);

(d) the air traffic liability for passenger tickets sold before the Closing Date for all routes that Seller was serving as of the Closing Date; and

(e) the outstanding liabilities and obligations arising out of Seller’s healthcare plans that accrued prior to and after the Closing and payment of the premium under Seller’s stop-loss policy.

Section 2.4 Excluded Liabilities. All claims against Seller, and all liabilities and obligations of Seller (in each case of any nature whatsoever, whether direct or indirect, matured or unmatured, known or unknown, absolute, accrued, contingent or otherwise, whether now existing or hereafter arising) which are (x) enumerated below in this **Section 2.4** or (y) not specifically assumed by Purchaser pursuant to **Section 2.3** are collectively referred to herein as the “**Excluded Liabilities**.” Purchaser shall not assume, be deemed to have assumed, or otherwise be responsible or liable for, any of the Excluded Liabilities. Excluded Liabilities include, but shall not be limited to:

(a) any and all liabilities arising under any Aircraft Lease and under any aircraft engine, propeller or spare parts lease not assumed by Purchaser pursuant to **Section 2.3(a)**;

(b) any and all liabilities arising under any Station Lease not assumed by Purchaser pursuant to **Section 2.1(c)**;

(c) any and all liabilities and obligations for Taxes, including but not limited to sales Taxes, use Taxes, payroll Taxes, real property Taxes, personal property Taxes, *ad valorem* Taxes and other Taxes, arising from or with respect to the Acquired Assets or the Business to the extent attributed to the operation of the Acquired Assets or the Business on or before the Closing Date or the transactions contemplated by this Agreement;

(d) any and all liabilities for indebtedness of Seller with respect to borrowed money other than (x) obligations with respect to capitalized leases, if any, that are Assigned Contracts and (y) any of the Obligations assumed pursuant to **Section 2.3**;

(e) except for the Assumed Environmental Liabilities, any and all liabilities and obligations arising under any Environmental Law or any and all liabilities and obligations arising under any other Law (including as a result of any action or inaction of Seller or of any third party) relating to the storage, use or operation of the Acquired Assets;

(f) any and all liabilities and obligations for any violation of any Law;

(g) any and all liabilities and obligations for: (i) costs and expenses incurred by Seller or owed in connection with the administration of the Bankruptcy Case (including, without limitation, the fees and expenses of attorneys, accountants, financial advisors, consultants and other professionals retained by Seller, and the official creditors’ committee, the fees and expenses of the post-petition lenders and pre-petition lenders incurred or owed in connection with the administration of the Bankruptcy Case); and (ii) all costs and expenses of Seller incurred in connection with the negotiation, execution and consummation of the transactions contemplated under this Agreement;

(h) any and all liabilities and obligations of Seller to the extent that its existence or magnitude constitutes or results in a breach of a representation, warranty or covenant made by Seller to Purchaser under this Agreement, or makes the information contained in any Schedule incorrect or incomplete;

(i) any liabilities of Seller under those Contracts and Permits which constitute Excluded Assets or which are not assigned to Purchaser pursuant to the provisions of this Agreement;

(j) any and all liabilities and obligations (i) that are the subject of any dispute, litigation, arbitration, judgment, order, decree or other civil, criminal, or other proceeding as of the Closing Date, (ii) with respect to periods prior to the Closing Date and are or could be asserted as a claim in litigation or arbitration after the Closing Date, (iii) relating to any bodily injury, or damage to property, incurred by any Person, or (iv) arising as a result of actions or omissions with respect to services provided to customers prior to the Closing;

(k) any liabilities or obligations which Purchaser may or could become liable for as a result of or in connection with any “**de facto merger**”, “**successor-in-interest**”, or other successor liability theories;

(l) those specific liabilities and obligations of Seller identified on **Schedule 2.4(I)** attached hereto;

(m) except for the Assumed Employee Liabilities, all liabilities or obligations arising under any Employee Benefit Plan;

(n) any liability or obligation of Seller to its stockholders or other equity holders or affiliates;

(o) any costs and expenses that may be recovered from the Acquired Assets on account of the operation of Section 506(c) of the Bankruptcy Code;

(p) any liabilities arising out of any representations, warranties, actions or failure to act by Seller in connection with any Assigned Contract, including any claims by any Person other than the counter-party to such Assigned Contract;

(q) except for the Assumed Employee Liabilities, any liabilities and obligations relating to Employees, including but not limited to: (i) ordinary accruals for wages, commissions, vacation days, sick days, expense reimbursements and severance obligations and liabilities of the Employees that accrued for the period prior to the Closing, (ii) worker’s compensation claims for Employees which remain unpaid as of the Closing Date (whether reported or not), (iii) the exempt or non-exempt status of any Employee for the period prior to the Closing, (iv) litigation, including without limitation any claims for wrongful termination, any claims under Title VII of the Civil Rights Act of 1964, as amended or similar state Law, and any whistleblower claims with respect to any Employee for the period prior to the Closing, (v) those liabilities and obligations retained by Seller in accordance with **Section 2.4** and **Section 6.4**; and

(r) without limitation by the specific enumeration of the foregoing, any and all liabilities and obligations of Seller or arising out of or related to the Acquired Assets or the Business that are not expressly assumed by Purchaser pursuant to the provisions of **Section 2.3**.

Section 2.5 Assignment and Assumption of Contracts.

(a) Assignment and Assumption at Closing.

(i) **Schedule 2.5(a)** attached hereto sets forth (x) each Contract to which Seller is a party or by which Seller is bound and that is used in or related to the Business or any of the Acquired Assets, (y) all Cure Amounts (if any) for each such Contract, and (z) a detailed description of each such Contract (such schedule is referred to herein as the “**Contracts Schedule**”).

(ii) Purchaser has, by delivering written notice to Seller, designated each Contract on the Contracts Schedule as “**Assumed**,” “**Rejected**” or “**Held**.” Each Contract so designated as “**Assumed**” is referred to herein as an “**Assumed Contract**”; each Contract so designated as “**Rejected**” is referred to herein as a “**Rejected Contract**”; and each Contract designated as “**Held**” is referred to herein as a “**Held Contract**.” Notwithstanding the foregoing, Purchaser shall have the right (in its sole and absolute discretion) to change any designation of a Rejected or Held Contract to an Assumed Contract and to notify Seller in writing of any such change until Closing in which case such Contract shall become an Assumed Contract as indicated by such changed designation. Except for the Passenger Services Agreement for (BOS) between Alaska Airlines, Inc. and the Seller, the Alaska Airlines Contracts are not Assigned Contracts or Assumed Contracts.

(iii) Seller has provided timely and proper written notice of the Bankruptcy Court’s Order on Chapter 11 Trustee’s Motion for Entry of an Order (A) Authorizing the Assumption and Assignment of Executory Contracts and Unexpired Lease, (B) Approving Cure Amounts, and (C) Granting Related Relief dated August 31, 2018 (ECF No. 473) which includes the procedures for the assumption and assignment of Contracts to parties to all Contracts and will take all other actions necessary to cause all Assumed Contracts to be assumed by Seller (to the extent not already assumed pursuant to prior Bankruptcy Court order(s)) and assigned to Purchaser, and all Rejected Contracts to be rejected by Seller, pursuant to Section 365 of the Bankruptcy Code, provided that the only Contracts to be actually assumed and assigned to Purchaser at Closing will be the Assumed Contracts. Purchaser shall, at or prior to Closing, comply with all requirements under Section 365 of the Bankruptcy Code necessary to assign to Purchaser the Assumed Contracts.

(iv) At Closing, (x) Seller shall, pursuant to the Bankruptcy Sale Order and the Assignment and Assumption Agreement(s) and other transfer and assignment documents requested by Purchaser, assume (to the extent not already assumed pursuant to prior Bankruptcy Court order(s)) and assign to Purchaser (the consideration for which is included in the Purchase Price) each of the Assumed Contracts and (y) except as set forth in this subsection, Purchaser shall pay promptly all Cure Amounts (if any) in connection with such assumption and assignment (as agreed to among Purchaser and Seller or as determined by the Bankruptcy Court) and assume and agree to perform and discharge the Assumed Liabilities (if any) under the Assumed Contracts, pursuant to the Assignment and Assumption Agreement(s).

(b) Assumed Contracts.

(i) At the Closing, Seller shall promptly cause all Rejected Contracts and all Held Contracts not designated as “Assumed” by Purchaser during the Designation Period, or subject to treatment as Nonassignable Assets pursuant to **Section 2.5(c)** hereof, to be rejected pursuant to Section 365 of the Bankruptcy Code at or as soon after Closing as practicable. Notwithstanding the foregoing, with respect to any Held Contracts treated as Nonassignable Assets pursuant to **Section 2.5(c)** hereof, Seller shall not reject such Held Contracts until Purchaser provides Seller with written notice that it no longer seeks the benefit of such Held Contract or Held Contracts under **Section 2.5(c)(ii)** hereof, after which time Seller shall cause such Held Contract or Held Contracts to be rejected as soon as practicable.

(ii) On each date that each Assumed Contract is assumed and assigned to Purchaser pursuant to this **Section 2.5** (including, without limitation, the approval of the assumption and assignment thereof by the Bankruptcy Court), such Assumed Contract shall constitute an “Assigned Contract” and shall be an Assigned Contract for all purposes under this Agreement, provided that no Assumed Contract shall be assigned or transferred pursuant to this Agreement unless the Bankruptcy Court has previously approved the assumption and assignment thereof to Purchaser.

(c) Non-Assignment of Contracts and Permits.

(i) Notwithstanding anything contained in this Agreement to the contrary, Seller shall not be required to assign or transfer any Contract or any Permit, if, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, an attempt at assignment or transfer thereof, without the consent or approval required or necessary for such assignment or transfer, would constitute a breach thereof, require the payment of any cure amount that exceeds, in Purchaser’s judgment, Purchaser’s cost to find an alternative to such Contract or Permit, or in any way adversely affect any of the rights of Purchaser (unless the restrictions on assignment or transfer thereunder would be rendered ineffective pursuant to Sections 9-406 through 9-409, inclusive, of the Uniform Commercial Code, as amended) as the assignee or transferee of such Contract or Permit (as the case may be) thereunder (such Contract or Permit being a “Nonassignable Asset”). If, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code and the efforts of Seller in accordance with the covenant set forth in **Section 6.1(c)(xiii)**, such consent or approval is required but not obtained with respect to an Assumed Contract or a Permit, neither Seller nor Purchaser shall be in breach of this Agreement nor shall the Purchase Price be adjusted nor (but subject to Purchaser’s termination right set forth in **Section 11.1(c)(vii)**) shall the Closing be delayed in respect of the Assumed Contracts or the Permits. From and after the date hereof, including through and after the Closing, Seller shall use its best reasonable efforts to obtain all consents or approvals that are required with respect to Assumed Contracts and Permits, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, for Seller to assume and assign to Purchaser such Contracts and Permits. For the avoidance of doubt, nothing in this **Section 2.5(b)** shall be deemed to (x) limit the

liability, if any, of Seller pursuant to this Agreement for failing to have obtained any required consent or approval or (y) alter or limit any rights of Purchaser under **Section 11.1(c)(x)** of this Agreement.

(ii) To the extent permitted by Law, if consents to the assignment of any Nonassignable Asset cannot be obtained or cure amounts cannot be negotiated prior to the Closing, and upon delivery of an indemnity from Purchaser protecting the Seller from liability therefor, the Seller shall use its best efforts to provide Purchaser with the benefits under any such Nonassignable Asset in accordance with the terms thereof and the use of any other asset including entering into subcontracts, subleases, sale and leasebacks, use and service agreements or other contractual arrangements that will provide such benefits to Purchaser. Seller shall promptly pay over to Purchaser, in respect of each Nonassignable Asset, all money or other consideration received by Seller under the terms of such Nonassignable Asset.

Section 2.6 Right to Change Designations. Notwithstanding anything contained in this Agreement to the contrary, Purchaser reserves the right, and shall have the right, to designate in one or more written notices delivered to Seller (i) at any time prior to the Closing Date, any Acquired Asset as an Excluded Asset and (ii) at any time prior to two days prior to the commencement of the Auction, any Excluded Asset as an Acquired Asset, except to the extent otherwise provided in **Section 2.5**.

ARTICLE 3 **CONSIDERATION**

Section 3.1 Good Faith Deposit.

(a) The Purchaser has deposited with the Escrow Agent as a good-faith deposit the amount of \$550,000 (the "**Deposit**"). The Escrow Agent shall hold the Deposit in a segregated bank account. The Seller acknowledges and agrees that the Deposit shall not be an asset of the Seller's bankruptcy estate. Upon the Closing in accordance with the terms of this Agreement and the Ancillary Agreements, the Deposit will be applied against the Purchase Price in the manner provided in **Section 3.2**.

(b) If this Agreement is terminated pursuant to **Section 11.1**, the Seller and the Purchaser shall direct the Escrow Agent to return the Deposit to the Purchaser or to disburse the Deposit to the Seller as a non-completion fee in accordance with **Section 11.2(b)**.

Section 3.2 Purchase Price. In consideration of the sale of the Business and the Acquired Assets to Purchaser, and in reliance upon the representations, warranties, covenants and agreements of Seller set forth herein, and upon the terms and subject to the conditions set forth herein, the purchase price for the Business and the Acquired Assets shall be equal to the sum of the following (collectively, the "**Purchase Price**"):

(a) Twelve Million, Three Hundred Thousand Dollars (\$12,300,000);

(b) A reduction in the claim filed on or about October 3, 2018, by Turbo Lease LLC and acquired by Purchaser, to the extent such claim is allowed, of Six Hundred Fifty Five Thousand Dollars (\$655,000); plus

(c) the assumption of the Assumed Liabilities.

Section 3.3 Allocation of Purchase Price.

(a) Within the earlier of (i) 180 days after the Closing Date and (ii) 20 days prior to the extended due date of the Tax Returns to which IRS Form 8594 must be attached, Purchaser shall deliver to Seller a statement (the "**Allocation Statement**") allocating, for tax purposes, the consideration paid by Purchaser for the Acquired Assets among the Acquired Assets in accordance with Section 1060 of the Code and the Treasury Regulations promulgated thereunder.

(b) The parties to this Agreement hereby agree to (i) be bound by the Allocation Statement (other than if Seller reasonably disagrees with the Allocation Statement, then the parties will work in good faith to resolve such disagreement), (ii) act in accordance with the Allocation Statement in connection with the preparation, filing and audit of any Tax Return (including, without limitation, in the filing of IRS Form 8594 and any other corresponding Tax forms), and (iii) take no position inconsistent with the Allocation Statement for any Tax purpose (including, without limitation, in any audit, judicial or administrative proceeding).

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Purchaser:

Section 4.1 Organization.

(a) Seller is a corporation duly organized, validly existing and in good standing under the Laws of the State of Alaska and has all necessary power and authority to own, lease and operate its properties and to conduct its business in the manner in which its business is currently being conducted. Except as a result of the commencement of the Bankruptcy Case, Seller is qualified to do business and is in good standing in all jurisdictions where it owns or leases real property in connection with the operation of the Business or otherwise conducts the Business, except where the failure to so qualify or to so be in good standing has not had and would not reasonably be expected to have a Material Adverse Effect.

(b) Seller does not hold any equity or other interests in any other Person. Seller conducts no business other than the ownership and management of the Business.

Section 4.2 Authorization of Agreement. Subject to entry of the Bankruptcy Sale Order and authorization as is required by the Bankruptcy Court:

(a) Seller has, or at the time of execution will have, all necessary corporate power and authority to execute and deliver this Agreement and each Ancillary Agreement to which Seller is or will become a party and to perform its obligations hereunder and thereunder;

(b) the execution and delivery of this Agreement and each Ancillary Agreement to which Seller is or will become a party and the performance of Seller's obligations hereunder and thereunder (including, without limitation, the consummation of the transactions contemplated by this Agreement) have been, or at the time of execution will be, duly authorized by all necessary corporate action on the part of Seller and no other corporate proceedings on the part of Seller are necessary to authorize such execution, delivery and performance; and

(c) this Agreement and each Ancillary Agreement to which Seller is or will become a party have been, or when executed will be, duly and validly executed and delivered by Seller and (assuming the due authorization, execution and delivery by the other parties hereto and thereto) this Agreement and each Ancillary Agreement to which Seller is or will become a party constitutes, or will constitute, when executed and delivered, the valid and binding obligations of Seller enforceable against Seller in accordance with its respective terms, subject to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 4.3 Conflicts; Consents of Third Parties.

(a) Except as set forth on Schedule 4.3(a), the execution, delivery and performance by Seller of this Agreement and each Ancillary Agreement to which Seller is or will become a party, the consummation of the transactions contemplated hereby and thereby, or compliance by Seller with any of the provisions hereof and thereof do not, or will not, result in the creation of any Lien upon the Acquired Assets and do not, or will not, conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination or cancellation under any provisions of:

(i) Seller's articles of incorporation and by-laws, or comparable organizational documents of Seller;

(ii) subject to entry of the Bankruptcy Sale Order, any Contract or Permit to which Seller is a party or by which any of the Acquired Assets are bound;

(iii) subject to entry of the Bankruptcy Sale Order, any order, writ, injunction, judgment or decree of any Governmental Authority applicable to Seller or any of the properties or assets of Seller as of the date hereof; or

(iv) subject to entry of the Bankruptcy Sale Order, any applicable Law.

(b) Subject to entry of the Bankruptcy Sale Order, except as set forth on Schedule 4.3(b), no consent, waiver, approval, order, Permit or authorization of, or declaration, filing or registration with, or notification to, any Person or Governmental Authority is required on the part of Seller in connection with the execution, delivery and performance of this Agreement or any Ancillary Agreement to which it is or will become a party, the compliance by Seller with any of the provisions hereof or thereof, the consummation of the transactions contemplated hereby or thereby, or the assignment or conveyance of the Acquired Assets or the assumption of the Assumed Liabilities.

Section 4.4 Title to the Acquired Assets. Seller has good and valid title to the Acquired Assets free and clear of all Liens, Claims, Interests and Encumbrances, other than any exceptions expressly set forth on Schedule 4.4 hereto (the “Permitted Exceptions”) and Permitted Liens, and Purchaser will be vested, to the maximum extent permitted by Sections 363 and 365 of the Bankruptcy Code, with good, valid, marketable and undivided title to the Acquired Assets free and clear of all Liens, Claims, Interests and Encumbrances, other than Permitted Exceptions and Permitted Liens.

Section 4.5 Contracts. Schedule 2.5(a) includes a complete list, as of the date hereof, of all Contracts to which Seller is a party or by which it is bound and that are used in or related to the Business or the Acquired Assets. Seller has provided to Purchaser true and complete copies of such Contracts and any and all amendments, modifications, supplements, exhibits and restatements thereto and thereof in effect as of the date of this Agreement, as well as the Cure Amounts (listing separately both pre-petition and post-petition amounts) with respect to such Contracts.

Section 4.6 Property. Schedule 4.6 sets forth an accurate and complete list of all of the Company’s real property, and, if applicable, all liens, mortgages, or other encumbrances upon each parcel of real property. The Company has good and marketable title to all of its properties and assets (whether real, personal or mixed and whether tangible or intangible) that are used in the operation of its business, free and clear of all liens, restrictions or encumbrances. Except as described on Schedule 4.6, neither the Seller nor the Business leases, subleases, licenses or otherwise occupies any real property. Seller has provided to Purchaser true and complete copies of the leases, ground leases, subleases and licenses and any and all amendments, modifications, supplements, exhibits and restatements thereto and thereof in effect as of the date of this Agreement relating to the Leased Property. Seller has provided to Purchaser true and complete copies of all default notices and any other correspondence of a material nature to or from any party to any lease, ground lease, sublease or license relating to the Leased Property.

Section 4.7 Intellectual Property. Except as set forth on Schedule 4.7(i), (i) with respect to any Intellectual Property owned by Seller (as opposed to Intellectual Property of which Seller is a licensee), Seller has all right, title and interest to all such Intellectual Property, without any conflict known to Seller with the rights of others, (ii) no Person other than Seller has the right to use the Intellectual Property owned by Seller and (iii) Seller has the valid right to use, pursuant to a license, sublicense or other agreement, any Intellectual Property used in Seller’s Business that is owned by a party other than Seller. Schedule 4.7(ii) sets forth a complete list, as of the date hereof, of all registered and applied for Intellectual Property owned by Seller (whether registered with the United States Patent and Trademark Office, the United States Copyright Office or otherwise).

Section 4.8 Permits. Schedule 4.8(i) sets forth a complete list, as of the date hereof, of all Permits issued to Seller for the operation of the Business. Schedule 4.8(ii) sets forth a complete list, as of the date hereof, of all Permits applied for by Seller or the issuance of which to Seller is pending. Seller represents and warrants that such approvals are in full force and effect and have not been limited, revoked or modified in any manner and will continue in full force and effect immediately following the Closing. Schedule 4.8(iii) sets forth a complete list, as of the date hereof, of all Permits required for the operation of the Business which have not been issued to Seller or applied for by Seller or the issuance of which to Seller is not pending.

Section 4.9 Employee Benefit Plans; Employees. Schedule 4.9(i) sets forth a list as of the Effective Date of each Employee Benefit Plan. Schedule 4.9(ii) sets forth a list as of the Effective Date of all Employees and their respective (a) titles or responsibilities; (b) dates of hire; (c) current base salary or wages; (d) all bonuses paid during 2017; (e) participation status in the Employee Benefit Plans listed on Schedule 4.9(i); and (f) accrued vacation and sick leave.

Section 4.10 Labor Relations. Except as set forth on Schedule 4.10, Seller is not a party to or bound by or has an obligation to perform (including make payments) under any collective bargaining agreement or any Contract with a labor union or labor organization. Seller has not received written notice of any outstanding representation petitions involving Seller before the National Labor Relations Board or any state labor board, and, to the Knowledge of Seller, no such petition has been threatened, and, to the Knowledge of Seller, no labor dispute, strike, picketing, work slowdown, work stoppage or handbilling has been threatened in writing. Seller is not subject to any material unfair labor practice charge.

Section 4.11 Environmental Matters. Except as set forth on Schedule 4.11, the Acquired Assets are in material compliance with all applicable Environmental Laws relating to the protection of the environment, pollution or human health and safety. Except as set forth on Schedule 4.11, at all times, Seller has conducted the Business and the respective operations in accordance with all Environmental Laws applicable to Seller and the Business. Seller has not received written notice of any investigation, suit, claim, action, or proceeding relating to or arising under Environmental Laws with respect to the Acquired Assets or the Business, nor, to the Knowledge of Seller, are any of the same being threatened in writing against Seller or any real property owned, operated, or leased by Seller. Seller has not received any written notice of, or entered into, any obligation, order, settlement, judgment, injunction, or decree involving outstanding requirements relating to or arising under Environmental Laws. Except as set forth on Schedule 4.11, to the Knowledge of Seller, there has been no release or threatened release of any Hazardous Material into the environment at, onto, or from any property owned or leased by Seller which would reasonably be expected to result in material liability, costs or Claims relating to any Environmental Law.

Section 4.12 Insurance. Seller maintains the insurance policies set forth on Schedule 4.12(i), which Schedule sets forth all insurance policies covering the property, assets, employees and operations of the Business (including policies providing property, casualty, liability and workers' compensation coverage). Such policies are in full force and effect and, except as set forth on Schedule 4.12(ii), will continue in full force and effect immediately following the Closing. Seller has paid all premiums on such policies due and payable prior to the Effective Date. Seller has not done anything by way of action or inaction that invalidates any such policies in whole or in part.

Section 4.13 No Brokers or Finders. Except as set forth on Schedule 4.13, no agent, broker, finder or investment or commercial banker, or other Person or firm engaged by, or acting on behalf of, Seller in connection with the negotiation, execution or performance of this Agreement or the transactions contemplated by this Agreement is or will be entitled to any brokerage or finder's or similar fees or other commissions as a result of this Agreement or such transactions.

Section 4.14 Litigation; Proceeding. Except as set forth in **Schedule 4.14**, there is no material claim, action, suit, proceeding, complaint, charge, hearing, grievance or arbitration pending or, to Knowledge of Seller, threatened against or related to the Business, whether at law or in equity, whether civil or criminal in nature or by or before any arbitrator or Governmental Authority, nor are there any investigations relating to the Business, pending or, to Knowledge of Seller, threatened by or before any arbitrator or any Governmental Authority. None of the Acquired Assets is subject to any judgment, injunction, order, consent, or decree of any Governmental Authority or any arbitration award or settlement agreement with any Person.

Section 4.15 Compliance with Laws. Except as set forth on **Schedule 4.15(i)**, Seller (i) has complied with, is in compliance with and has operated the Business in compliance with all applicable Laws and Permits (exclusive of Tax law compliance to the extent disclosed in **Schedule 4.16**) in all material respects, and (ii) holds all Permits necessary for the lawful conduct of the Business by Seller. Except as set forth on **Schedule 4.15(ii)**, Seller has not received any written notice or other written communication from any Governmental Authority or other Person (x) asserting any violation of, or failure to comply with, any requirement of any Law or Permit or (y) notifying Seller of the non-renewal, revocation or withdrawal of any Permit. Seller is in material compliance with the terms of the Permits.

Section 4.16 Taxes. Except as set forth on **Schedule 4.16**, (A) none of the Acquired Assets is tax-exempt use property within the meaning of Section 168(h) of the Code; (B) all Taxes shown on such Tax Returns and all Trust Fund Taxes owing by Seller have been or will be paid in a timely fashion or have been accrued for on the Seller' financial statements; (C) there are no Liens for any Tax on the Acquired Assets, except for Taxes not yet due and payable; and (D) Seller is not a foreign person as defined in Treasury Regulation section 1.445-2(b)(2)(i).

Section 4.17 Financial Statements.

(a) Seller has provided to Purchaser (i) the unaudited consolidated balance sheet of the Seller and the related consolidated statements of income, stockholders' equity and cash flow for the fiscal year ended March 31, 2017, and (ii) the monthly unaudited consolidated balance sheets of the Seller for the months beginning April 2017 through May 2018 and the related consolidated statements of income, stockholders' equity and cash flow for each such month. The Financial Statements have been prepared from the books and records of Seller, have been prepared in accordance with generally accepted accounting principles (except as may be stated in the notes thereto) and fairly present the financial position and the results of operations and cash flows of Seller as of the times and for the periods referenced to therein.

(b) **Schedule 4.17** contains an aged list of the Accounts Receivable of the Seller as of the Effective Date. All such Accounts Receivable arose from, and all Accounts Receivables of the Seller existing as of the Closing Date will have arisen from, the delivery of products or services in its Ordinary Course of Business.

Section 4.18 Citizenship. Seller is a "citizen of the United States" as defined in the Federal Aviation Act, and Seller is an "air carrier" within the meaning of such Act operating under certificates issued pursuant to such Act (49 U.S.C. §§ 41101-41112).

Section 4.19 Station Leases and Equipment.

(a) **Schedule 4.19** sets forth the aggregate amount of airline fees and charges paid and payable (if different) by Seller to the lessor or Governmental Authority under the Station Leases with respect to calendar years 2016, 2017 and 2018.

(b) **Schedule 2.5(a)** includes a true, correct and complete list of all leases, subleases, use agreements, licenses, permits, certificates or other documents or agreements under which Seller leases or occupies any location subject to a Station Lease, in each case, including identification of the applicable lease expiration date.

(c) **Schedule 2.5(a)** includes a true, correct and complete list of all the leases, subleases, use agreements, licenses, permits, certificates or other documents or agreements under which Seller leases, occupies or otherwise has the right to use any Ground Support Equipment included in the Transferred Assets, and all amendments thereto (the "**Ground Equipment Leases**"), in each case, including identification of the Seller and the lease expiration date.

(d) **Schedule 2.1(n)** includes all the Station Property owned by Seller (together with the Ground Support Equipment owned by Seller, the "**Owned Station Items**").

(e) Except as set forth in **Schedule 4.19(e)** identifying the specific equipment and specific condition or non-compliance, the Owned Station Items are all in good operating condition and repair, subject to normal wear, are usable in the regular and Ordinary Course of Business and, to Seller's Knowledge, conform to applicable Laws.

(f) The Station Leases are in full force and effect, and except by reason of the filing of the Bankruptcy Case or the insolvency of Seller, Seller has no Knowledge of any material default under the Station Leases or of any condition or event which has occurred which with notice or the passage of time or both would constitute a material default, by Seller under the Station Leases which has not been disclosed to Purchaser.

(g) Seller has not received any notice that any portion of the Owned Station Items is or will be subject to, or affected by, any condemnation, eminent domain or similar proceeding and there are no material violations of record or otherwise known to Seller against any portion of the Owned Station Items.

(h) With respect to the Owned Station Items which Purchaser elects to purchase pursuant to **Section 2.1(c)** hereof, the Seller has, and at the Closing, Seller shall convey to Purchaser, good, valid and indefeasible title thereto free and clear of all Liens other than Permitted Liens, and with respect to Station Leases Purchaser elects to acquire, the Seller has and at the Closing, Seller shall assign to Purchaser valid rights to the lessee's interest thereunder.

(i) Set forth on **Schedule 2.5(a)** is a list of all service, supply and other agreements to which Seller is a party or by which they are bound and which, to the Knowledge of Seller, are in effect on the Effective Date relating to services provided by any Person to support Seller's operations or operations under or in connection with each Station Lease (collectively, the "**Service Agreements**").

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to Seller as follows:

Section 5.1 Organization. Purchaser is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all requisite corporate power and authority to own its properties and assets and to conduct its businesses as now conducted.

Section 5.2 Authorization and Validity. Purchaser has, or at the time of Purchaser's execution of such Ancillary Agreement will have, all necessary corporate power and authority and legal capacity to execute and deliver this Agreement and any Ancillary Agreement to which Purchaser is or will become a party and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement and any Ancillary Agreement to which Purchaser is or will become a party and the performance of Purchaser's obligations hereunder and thereunder (including, without limitation, the consummation of the transactions contemplated by this Agreement) have been, or at the time of execution will be, duly authorized by all necessary action by the board of directors (or similar governing body) of Purchaser, and no other corporate proceedings on the part of Purchaser is necessary to authorize such execution, delivery and performance. This Agreement and each Ancillary Agreement to which Purchaser is or will become a party have been, or at the time of execution will be, duly executed by Purchaser and (assuming the due authorization, execution and delivery by the other parties hereto and thereto) this Agreement and each Ancillary Agreement to which Purchaser is or will become a party constitutes, or will constitute, when executed and delivered, Purchaser's valid and binding obligations, enforceable against Purchaser in accordance with their respective terms, subject to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 5.3 No Conflict or Violation. The execution, delivery and performance by Purchaser of this Agreement and any Ancillary Agreement to which Purchaser is or will become a party do not or will not at the time of execution (a) violate or conflict with any provision of the organizational documents of Purchaser, (b) violate any provision of applicable Law, or any order, writ, injunction, judgment or decree of any court or Governmental Authority applicable to Purchaser or (c) violate or result in a breach of or constitute (with due notice or lapse of time, or both) an event of default or default under any Contract to which Purchaser is a party or by which Purchaser is bound or to which any of Purchaser's properties or assets are subject, in each case, other than any violation, conflict, breach, event of default or default that would not reasonably be expected to adversely affect Purchaser's ability to perform its obligations under this Agreement on a timely basis.

Section 5.4 Consents and Approval. Except with respect to the issuance of: (i) the Bankruptcy Sale Order; (ii) the DOT final approval of the 49 U.S.C. §41105 transfer of Seller's 49 U.S. C. §41102 Certificate of Public Convenience and Necessity; (iii) completion of the FAA Part 135 Air Carrier Certification Process and such Certificate re-issuance procedures as FAA might determine and final re-issuance of a Part 135 Certificate; or (iv) as otherwise as set forth on **Schedule 5.4**, no consent, waiver, authorization or approval of any Person and no declaration to or filing or registration with any Governmental Authority is required in connection with the

execution and delivery by Purchaser of this Agreement and each Ancillary Agreement to which Purchaser is or will become a party or the performance by Purchaser of its obligations hereunder or thereunder.

Section 5.5 Financing. On the Closing Date Purchaser will have readily available funds in such amount as is required to consummate the transactions contemplated hereunder on the terms set forth herein and otherwise to perform all of Purchaser's obligations under this Agreement.

Section 5.6 Litigation. There is no action, suit, proceeding or claim that is pending or, to Purchaser's knowledge, threatened in any court or by or before any Governmental Authority that would adversely affect Purchaser's ability to perform its obligations under this Agreement on a timely basis.

Section 5.7 No Other Representations and Warranties. Except for the representations and warranties contained in this ARTICLE 5, neither Purchaser nor any other Person authorized by Purchaser makes any other express or implied representation or warranty on behalf of Purchaser.

ARTICLE 6

COVENANTS AND OTHER AGREEMENTS

Section 6.1 Pre-Closing Covenants of Seller. Seller covenants to Purchaser that, during the period from and including the Effective Date through and including the Closing Date or the earlier termination of this Agreement in accordance with the provisions of **ARTICLE 11**:

(a) Cooperation. Seller shall, without payment of funds to counterparties, use its reasonable best efforts to obtain, and assist Purchaser in obtaining, at no cost to Purchaser (other than Cure Amounts payable at or after the Closing), such consents, waivers or approvals of any third party or Governmental Authority required for the consummation of the transactions contemplated hereby, including the sale and assignment of the Acquired Assets. Seller shall take, or cause to be taken, all commercially reasonable actions and done, or cause to be done, all things necessary or proper, consistent with applicable Law, to consummate and make effective as soon as possible the transactions contemplated hereby.

(b) Access to Records and Properties. Seller shall (i) provide Purchaser and its Related Persons reasonable access upon reasonable notice to the facilities, offices and personnel of Seller and to the books and records of Seller, related to the Business or the Acquired Assets or otherwise reasonably requested by Purchaser if reasonably necessary to comply with the terms of this Agreement or the Ancillary Agreements or any applicable Law, including access to perform field examinations and inspections of the Business' or the Acquired Assets' inventories, facilities and equipment; (ii) furnish Purchaser with such financial and operating data and other information with respect to the condition (financial or otherwise), businesses, assets, properties, prospects or operations of Seller as Purchaser shall reasonably request; and (iii) permit Purchaser to make such reasonable inspections and copies thereof as Purchaser may require; provided, however, Purchaser shall use commercially reasonable efforts to prevent any such inspection from unreasonably interfering with the operation of the Business or the duties of any Employee of Seller.

(c) Conduct of Business Prior to Closing. Except as expressly contemplated by this Agreement and except to the extent expressly required under the DIP Credit Agreement, the Bankruptcy Code, other applicable Law or any ruling or order of the Bankruptcy Court and except to the extent waived by Purchaser's prior written consent (which consent may be delivered via electronic mail by any senior officer of Purchaser and may be withheld in Purchaser's sole and absolute discretion), Seller shall ensure that:

(i) Seller shall not, directly or indirectly, take any action which, if taken, or omit to take any act which, if omitted to be taken, would constitute or result in an Event of Default (as defined in the DIP Credit Agreement) under the DIP Credit Agreement or the DIP Orders;

(ii) Seller shall not, directly or indirectly, sell or otherwise transfer or dispose, or offer, agree or commit (in writing or otherwise) to sell or otherwise transfer or dispose of any of the Acquired Assets other than the sale of Inventory in the Ordinary Course of Business or the use of cash collateral in accordance with the DIP Credit Agreement or the DIP Orders;

(iii) Seller shall not, directly or indirectly, permit, offer, agree or commit (in writing or otherwise) to permit, any of the Acquired Assets to become subject, directly or indirectly, to any Lien, Claim, Interest or Encumbrance, except for Permitted Exceptions and Permitted Liens and Liens granted in connection with the DIP Credit Agreement;

(iv) Seller shall not, directly or indirectly, enter into any transaction or take any other action which, if taken, or omit to take any act which, if omitted to be taken, could be reasonably expected to cause, result in or constitute a breach of any representation or warranty (as if then made) or covenant made by Seller in this Agreement;

(v) Seller shall notify Purchaser promptly in writing of the occurrence of any Material Adverse Effect;

(vi) Seller shall not, directly or indirectly, make any promise or representation, oral or written, or otherwise, to (x) increase the annual level of compensation payable or to become payable by Seller to any of its directors, officers or Employees, (y) grant, establish or modify any targets, goals, pools or similar provisions in respect of, any bonus, benefit or other direct or indirect compensation to or for any director, officer or Employee of Seller, or increase the coverage or benefits available under any (or create any new) Employee Benefit Plan or (z) enter into any employment, deferred compensation, severance, consulting, non-competition, non-solicitation or similar agreement (or amend any such current agreement) to which Seller is a party or involving a director, officer or Employee of Seller, except, in each case, as required by Law, or as required by any plans, programs or agreements existing on the Effective Date and disclosed on Schedule 4.9(i);

(vii) Seller shall comply in all material respects with all Laws applicable to it or having jurisdiction over the Business or any Acquired Asset;

(viii) Seller shall not, directly or indirectly, (y) enter into any Contract, or (z) assume, amend, modify, supplement or terminate, or waive any rights under, any Contract to which Seller is a party or by which it is bound and that is used in or related to the Business or the Acquired Assets (including any Assigned Contract) or take any affirmative action not required by the terms of any such Contract;

(ix) Seller shall not, directly or indirectly, cancel, forgive or compromise any debt or claim or waive or release any right of Seller that constitutes an Acquired Asset;

(x) Seller shall not, directly or indirectly, enter into any commitment for any capital expenditure, except pursuant to any budget approved by the lenders under the DIP Credit Agreement;

(xi) Seller shall not, directly or indirectly, terminate, amend or modify in any manner any Contract for Leased Property;

(xii) Seller shall use commercially reasonable efforts to (i) conduct the Business in substantially the same manner as conducted as of the date of this Agreement and only in the Ordinary Course of Business, (ii) preserve the existing business organization and management of the Business intact, (iii) use commercially reasonable efforts to keep available the services of the current Employees, to the extent reasonably feasible, (iv) use commercially reasonable efforts to maintain the existing relations with customers, carriers, distributors, suppliers, creditors, business partners, Employees and others having business dealings with the Business, and (v) refrain from changing in any material respect any of its product or service prices or pricing policies (*e.g.*, discount policies) for any of its products or services;

(xiii) Seller shall use best reasonable efforts to obtain all consents or approvals prior to the Closing that are required, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, for Seller to assume and assign to Purchaser any Assumed Contract or Permit;

(xiv) Seller shall use best reasonable efforts to assist Purchaser in obtaining all Permits required to own or operate the Acquired Assets under applicable Laws, including making filings with the Governmental Authorities and issuing powers of attorneys to Purchaser, as necessary;

(xv) Seller shall not, directly or indirectly, take, or agree, commit or offer (in writing or otherwise) to take or omit to take, any action or actions in violation of the foregoing or which would otherwise adversely affect the consummation of the transactions contemplated hereby;

(xvi) Seller shall maintain in full force and effect each Permit held by Seller as of the Effective Date or otherwise obtained by Seller prior to the Closing, Seller shall comply with the terms of each such Permit and Seller shall not permit any such Permit to terminate, expire or lapse; and

(xvii) Seller shall maintain in full force and effect without modification any insurance policy with respect to Acquired Assets, Seller shall comply with the terms of such insurance policy and Seller shall not permit any such policy to terminate, expire or lapse.

(d) Notice of Certain Events. Seller shall promptly notify Purchaser of, and furnish Purchaser any information it may reasonably request with respect to, the occurrence or nonoccurrence of any event or condition or the existence of any fact that would reasonably be expected or likely to cause (i) any of the conditions to Purchaser's obligations to consummate the transaction(s) contemplated by this Agreement or by any Ancillary Agreement not to be fulfilled, (ii) any material breach or inaccuracy of any representation or warranty of Seller contained in this Agreement, (iii) Seller's failure to observe or perform any covenant or other obligations set forth in this Article VI; or (iv) directly or indirectly, any Material Adverse Effect on Seller. Notwithstanding the foregoing, the delivery of any notice pursuant to this **Section 6.1(d)** shall not (x) be deemed to amend or supplement any of the Schedules contemplated hereby, (y) be deemed to cure any breach of any representation, warranty, covenant or agreement or to satisfy any condition or (z) limit or otherwise affect the remedies available hereunder to the party receiving such notice.

(e) Employees. On the Business Day immediately prior to Closing, Seller shall deliver to Purchaser a final **Schedule 4.9(ii)** which will be accurate and complete as of the Closing Date with respect to all information required to be set forth thereon.

Section 6.2 Pre-Closing Covenants of Purchaser. Purchaser covenants to Seller that, during the period from the Effective Date through and including the Closing or the earlier termination of this Agreement in accordance with the provisions of **ARTICLE 11**:

(a) Cooperation. Purchaser shall take, or cause to be taken, all commercially reasonable actions and to do, or cause to be done, all things commercially reasonably necessary or proper, consistent with applicable Law, to consummate and make effective as soon as possible the transactions contemplated hereby, provided that the foregoing shall not require Purchaser to participate in the Auction or to make any expenditure of funds or to incur any other obligation or liability.

(b) Adequate Assurance Regarding Assigned Contracts and Required Orders. Purchaser agrees that it will provide information and cooperate as reasonably requested by Seller to assist in establishing adequate assurance of future performance within the meaning of Section 365 of the Bankruptcy Code with regard to the Assigned Contracts, provided that the foregoing shall not require Purchaser to make any expenditure of funds or to incur any other obligation or liability except as expressly set forth herein.

(c) Permits. Purchaser shall use commercially reasonable efforts to cooperate with Seller to obtain or consummate the transfer to Purchaser of any Permit required to own or operate the Acquired Assets under applicable Laws, provided that the foregoing shall not require Purchaser to make any expenditure of funds or to incur any other obligation or liability without its prior consent in Purchaser's sole and absolute discretion.

Section 6.3 Other Covenants of Seller and Purchaser.

(a) Disclosure Schedules and Supplements. From time to time prior to the Closing Date, Seller, on the one hand, with respect to disclosure schedules relating to Seller, shall notify Purchaser of, and Purchaser on the other hand, with respect to disclosure schedules relating to Purchaser, shall notify Seller of, and shall supplement or amend the disclosure schedules (the “Schedules”) to this Agreement with respect to, any matter that arises after the Effective Date and that, (i) if existing or occurring at or prior to such delivery of the Schedules, would have been required to be set forth or described in the Schedules to this Agreement or (ii) makes it necessary to correct any information in the Schedules to this Agreement or in any representation or warranty of Seller or Purchaser, as applicable, that has been rendered inaccurate thereby. Each such notification and supplement, to the extent known, shall be made by Seller to the Schedules prepared by Seller no later than two (2) Business Days after discovery thereof by Seller or Purchaser, as applicable, or if such matter arises less than two (2) Business Days before the date set for the Closing by the parties hereto, then promptly after discovery thereof by Seller or Purchaser, as applicable, and in any event prior to the Closing. Notwithstanding the foregoing, (i) nothing contained herein shall detract from or diminish the rights of Purchaser under **Section 9.2(a)** or **Section 11.1(c)(iv)** as if the Schedules were not supplemented or amended pursuant to this **Section 6.3(a)** and (ii) no such supplement or amendment to the Schedules shall be deemed to cure any inaccuracy of any representation or warranty made in this Agreement.

(b) Personally Identifiable Information. Purchaser shall honor and observe, in connection with the transactions contemplated by this Agreement, any and all policies of Seller in effect on the Petition Date prohibiting the transfer of personally identifiable information about individuals and otherwise comply with the requirements of Section 363(b)(1)(A) of the Bankruptcy Code.

(c) Access to Records after Closing. From and after the Closing Date, each party hereto shall provide the other parties hereto (and their respective representatives) with access, at reasonable times and in a manner so as not to unreasonably interfere with their normal business, to the books and records acquired pursuant to this Agreement so as to enable Purchaser and Seller to prepare Tax, financial or court filings or reports, to respond to court orders, subpoenas or inquiries, investigations, audits or other proceedings of Governmental Authorities, and to prosecute and defend legal actions or for other like purposes, including, but not limited to claims objections and resolutions, for a period of two (2) years after the Closing Date. If any party desires to dispose of any such records, such party shall, thirty (30) days prior to such disposal, provide the other party with a reasonable opportunity to remove such records to be disposed of at the removing party's expense.

Section 6.4 Employment Covenants and Other Undertakings.

(a) Employees. Subject to an interview and other appropriate measures to determine that an Employee is qualified to perform his or her functions to Purchaser's standards, the Purchaser presently intends to offer to employ, effective as of the Closing Date, a significant portion of all Employees who are actively employed in the Business on the Closing Date. Such offers of employment shall be on terms and conditions which are consistent with the Purchaser's policies and procedures and shall be determined by Purchaser in its sole and absolute discretion.

Any Employees actually employed by Purchaser are referred to herein as “**Retained Employees.**” Seller shall deliver to Purchaser on or before the Closing Date all personnel files and employment records relating to the Retained Employees (including completed I-9 forms and attachments with respect to all Retained Employees, except for such Employees as Seller certifies in writing are exempt from such requirement).

(b) Other Obligations. Except as otherwise required by Law or otherwise agreed to in writing by Purchaser, neither Purchaser nor any of its Affiliates shall be obligated to provide any severance, separation pay or other payments or benefits to any Employee on account of any termination of such Employee’s employment, and all such severance, separation pay and other payments and benefits (if any) shall remain obligations of Seller. Prior to the Closing Date, Seller shall be solely responsible for complying with the WARN Act and any and all obligations under other applicable Laws requiring notice of plant closings, relocations, mass layoffs, reductions in force or similar actions (and for any failures to so comply), in any case, applicable to Employees as a result of any action by Seller or any of its Affiliates prior to the Closing Date. Seller shall remain solely responsible for WARN Act liabilities applicable to the Employees that are incurred on or prior to the Closing Date, including with respect to any Employee terminated prior to the Closing Date that, when aggregated with any Employee who is not hired or who is terminated on or after Closing or for which any WARN Act liability is incurred, results in WARN Act liability with respect to such Employee terminated prior to Closing.

(c) COBRA. Seller shall be responsible for the provision of COBRA-continuation coverage with respect to each Employee and his or her dependents and spouse and each other individual who constitutes an “M & A qualified beneficiary” within the meaning of Treasury Regulation Section 54.4980B-9, Q&A-4 in connection with the transactions contemplated by this Agreement.

(d) Forms W-2 and W-4. Seller and Purchaser shall adopt the “standard procedure” for preparing and filing IRS Forms W-2 (Wage and Tax Statements) and Forms W-4 (Employee’s Withholding Allowance Certificate) regarding the Retained Employees. Under this procedure, Seller shall keep on file all IRS Forms W-4 provided by the Retained Employees for the period required by applicable Law concerning record retention and Purchaser will obtain new IRS Forms W-4 with respect to each Retained Employee.

(e) No Right to Employment. Nothing herein shall be deemed to create any right to employment or continued employment or to a particular term or condition of employment with Purchaser or any of its Affiliates. Nothing in this **Section 6.4** or any other provision of this Agreement: (i) shall be construed to establish, amend, or modify any benefit or compensation plan, program, agreement or arrangement; (ii) shall limit the ability of Purchaser or any of its Affiliates to amend, modify or terminate any benefit or compensation plan, program, agreement or arrangement at any time assumed, established, sponsored or maintained by any of them; or (iii) shall be construed to create any third party beneficiary right in any employee or other Person other than the parties to this Agreement.

Section 6.5 Casualty. If, between the date of this Agreement and the Closing, any of the Acquired Assets shall be destroyed or damaged in whole or in part by hurricane, fire, earthquake, flood, other casualty or any other cause (each a “**Casualty**”), then Purchaser shall have the option

to: (a) acquire such Acquired Assets on an "as is" basis and take an assignment from Seller of all insurance proceeds payable to Seller in respect of the applicable Casualty or (b) in the event that the applicable Casualty would have a Material Adverse Effect, the Purchaser may terminate this Agreement and the transactions contemplated hereby.

Section 6.6 Confidentiality. The Seller and the Purchaser agree and acknowledge that the Acquired Assets include confidential information of the Business which will be transferred to Purchaser at Closing. From and after Closing; (a) Seller shall, and shall cause each of their respective Affiliates to, hold in confidence all confidential information included in the Acquired Assets and transferred to Purchaser; (b) in the event that Seller or any of its Affiliates shall be legally compelled to disclose any such information, Seller shall provide Purchaser with prompt written notice of such requirement so that Purchaser may seek a protective order or other remedy; and (c) in the event that such protective order or other remedy is not obtained, Seller or its Affiliates shall furnish only such information that is legally required to provide.

Section 6.7 Collection on Acquired Assets. If, after the Closing Date, Seller shall receive payment with respect to any Acquired Assets, Seller shall immediately deliver such funds or assets to Purchaser and take all steps necessary to vest title to such funds or assets in Purchaser. Seller hereby designates Purchaser and its respective officers as Seller's true and lawful attorney in-fact, with full power of substitution, to execute and endorse for the benefit of Purchaser all checks, notes or other documents received by Seller in payment of or in substitution or exchange for any of the Acquired Assets. Seller hereby acknowledges and agrees that the power of attorney set forth in the preceding sentence in favor of Purchaser is coupled with an interest, and further agrees to execute and deliver to Purchaser from time to time any documents or other instruments requested by Purchaser to evidence such power of attorney.

Section 6.8 Waiver of Bulk Sales Law. To the greatest extent permitted by applicable Law, Purchaser and Seller hereby waive compliance with the terms of any bulk sales or similar Laws in any applicable jurisdiction in respect to the transactions contemplated by this Agreement. The Bankruptcy Sale Order shall contain a finding by the Bankruptcy Court or shall decree that the Seller and Purchaser are not required to comply with any such Laws.

ARTICLE 7 TAXES

Section 7.1 Taxes Related to Purchase of Acquired Assets.

(a) All transfer, conveyance, recording and similar Taxes, including all such state and local Taxes, incurred in connection with the transfer of the Acquired Assets, and all recording and filing fees (collectively, "**Transaction Taxes**"), that are imposed solely as a result of the sale, transfer, assignment and delivery of the Acquired Assets shall be borne by Purchaser. Purchaser and Seller shall cooperate to (a) determine the amount of Transaction Taxes payable in connection with the transactions contemplated under this Agreement, (b) provide all requisite exemption certificates and (c) prepare and file any and all required Tax Returns for or with respect to such Transaction Taxes with any and all appropriate taxing authorities.

(b) Seller shall remain responsible for, and Purchaser shall have no liability for, all sales Taxes, use Taxes, payroll Taxes, and other Taxes which are then due and owing with respect to the Acquired Assets or the Business and/or attributable to Tax periods or portions thereof commencing on or after the Petition Date and ending on the Closing Date; provided, however, Seller shall not be obligated to pay any such Tax that is disputed in good faith by Seller, as long as appropriate reserves have been established in accordance with generally accepted accounting principles. All sales Taxes, use Taxes, payroll Taxes, real property Taxes, personal property Taxes and other ad valorem Taxes with respect to the Acquired Assets that accrue during, or attributable to, the period on or prior to the Closing Date and become due on or after the Closing Date shall be paid by Seller. Subject to **Section 7.1(a)**, all sales Taxes, use Taxes, payroll Taxes, real property Taxes, personal property Taxes and other ad valorem Taxes with respect to the Acquired Assets that both accrue and are due after the Closing Date shall be paid by Purchaser.

ARTICLE 8

[Reserved]

ARTICLE 9

CONDITIONS PRECEDENT TO PERFORMANCE BY THE PARTIES

Section 9.1 Conditions Precedent to Performance by Seller. The obligation of Seller to consummate the transactions contemplated by this Agreement is subject to the fulfillment, at or before the Closing, of the following conditions, any one or more of which (other than the conditions contained in **Section 9.1(c)**) may be waived by Seller, in its sole and absolute discretion:

(a) Representations and Warranties of Purchaser. Each and every representation and warranty of Purchaser made in this Agreement that is qualified by a materiality standard, in each case, shall have been true and correct when made and shall be true and correct as of the Closing Date as if originally made on and as of such Closing Date, and each and every representation and warranty of Purchaser made in this Agreement that is not qualified by a materiality standard, in each case, shall have been true and correct when made in all material respects and shall be true and correct in all material respects as of the Closing Date as if originally made on and as of such Closing Date.

(b) Performance of the Obligations of Purchaser. Purchaser shall have performed in all material respects (i) all obligations required under this Agreement that are to be performed by Purchaser on or before the Closing Date (except with respect to (1) obligations which Purchaser is to perform as of the Closing under this Agreement (including, without limitation, the obligation to pay the Purchase Price), Purchaser shall be ready, willing and able to perform such obligations against performance by Seller hereunder and simultaneously with the Closing Purchaser shall so perform such obligations and (2) any obligations qualified by materiality, which obligations shall be performed in all respects as required under this Agreement) and (ii) all obligations required under each Ancillary Agreement to which Purchaser is a party that are to be performed thereunder by Purchaser on or before the Closing Date (except with respect to (I)

obligations which Purchaser is to perform as of the Closing under the applicable Ancillary Agreement, Purchaser shall be ready, willing and able to perform such obligations against performance by Seller thereunder and simultaneously with the Closing Purchaser shall so perform such obligations and (II) any obligations qualified by materiality, which obligations shall be performed in all respects as required under the applicable Ancillary Agreement).

(c) Bankruptcy Court Approval. The Bankruptcy Sale Order shall have become a Final Order by the Sale Order Deadline.

(d) No Violation of Orders. No preliminary or permanent injunction or other order of any court or Governmental Authority or Law that prevents the consummation of the transactions contemplated hereby shall be in effect.

(e) Bidding Procedures Order. The Bidding Procedures Order shall have been entered in the Bankruptcy Case and shall have become a Final Order.

(f) Assumption, Sale and Assignment of Contracts. The Bankruptcy Court shall have authorized in the Bankruptcy Sale Order the assumption and assignment of the Assumed Contracts.

(g) Deliverables. Purchaser shall have delivered or be prepared to deliver all of the items required by **Section 10.3** and all other items required to be delivered by Seller as of the Closing Date pursuant to the terms and conditions of this Agreement.

For avoidance of doubt, there shall be no conditions precedent to Seller's obligation to consummate the transactions contemplated by this Agreement, except for those conditions precedent specifically set forth in this **Section 9.1**.

Section 9.2 Conditions Precedent to the Performance by Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the fulfillment, at or before the Closing, of the following conditions, any one or more of which (other than the conditions contained in **Section 9.2(c)**, except as expressly provided therein) may be waived by Purchaser, in its sole and absolute discretion:

(a) Representations and Warranties of Seller. Each and every representation and warranty of Seller made in this Agreement that is qualified by a materiality standard or Material Adverse Effect, in each case, shall have been true and correct when made and shall be true and correct as of the Closing Date as if originally made on and as of such Closing Date, and each and every representation and warranty of Seller made in this Agreement that is not qualified by a materiality standard or Material Adverse Effect, in each case, shall have been true and correct in all material respects when made and shall be true and correct in all material respects as of the Closing Date as if originally made on and as of such Closing Date (disregarding for all purposes of this **Section 9.2(a)** any supplement or amendment to any of the Schedules pursuant to **Section 6.3(a)**).

(b) Performance of the Obligations of Seller. Seller shall have performed in all material respects (i) all obligations required by Seller under this Agreement that are to be performed by Seller on or before the Closing Date (except with respect to (1) obligations which

Seller is to perform as of the Closing under this Agreement, Seller shall be ready, willing and able to perform such obligations against performance by Purchaser hereunder and simultaneously with the Closing, Seller shall so perform such obligations and (2) any obligations qualified by materiality, which obligations shall be performed in all respects as required under this Agreement) and (ii) all obligations required under each Ancillary Agreement to which Seller is a party that are to be performed thereunder by Seller on or before the Closing Date (except with respect to (I) obligations which Seller are to perform as of the Closing under the applicable Ancillary Agreement, Seller shall be ready, willing and able to perform such obligations against performance by Purchaser thereunder and simultaneously with the Closing Seller shall so perform such obligations and (II) any obligations qualified by materiality, which obligations shall be performed in all respects as required under the applicable Ancillary Agreement).

(c) Bankruptcy Court Approval; Bankruptcy Sale Order. (i) The Bankruptcy Sale Order shall have been entered by the Bankruptcy Court and shall not be subject to a stay and the Bankruptcy Court shall have provided such other relief as may be necessary or appropriate to allow the consummation of the transactions contemplated by this Agreement, and (ii) the Bankruptcy Sale Order shall have become a Final Order, unless this condition in this clause (ii) has been waived in writing by Purchaser in its sole and absolute discretion. The Bankruptcy Sale Order shall exempt Seller and Purchaser from compliance with the terms of any bulk sales or similar Laws in any applicable jurisdiction in respect of the transactions contemplated by this Agreement.

(d) No Violation of Orders. No preliminary or permanent injunction or other order of any court or Governmental Authority or Law that prevents the consummation of the transactions contemplated hereby shall be in effect.

(e) Alaska Airlines Agreements. Purchaser shall have negotiated and entered into forms of Code Share Agreement, Mileage Plan Program Participation Agreement, and Capacity Purchase Agreement with Alaska Airlines, Inc., all of which shall be acceptable in form and substance to Purchaser in its sole and absolute discretion.

(f) Assumption, Sale and Assignment of Contracts. Subject to **Section 2.5(c)**, the Bankruptcy Court shall have authorized in the Bankruptcy Sale Order the assumption and assignment of the Assumed Contracts to Purchaser on terms satisfactory to Purchaser.

(g) [Reserved].

(h) Permits. Purchaser shall have obtained Permits in replacement of any Permits that are not transferable by Seller to Purchaser and that are necessary for Purchaser to take title to all of the Acquired Assets at Closing and thereafter to operate all aspects of the Business including specifically approval by the DOT of the 49 U.S.C. §41105 transfer to Purchaser of Seller's Certificate of Public Convenience and Necessity.

(i) FAA Certificate. The Air Carrier Certification Process under Title 14 of the Code of Federal Regulations (14 CFR) for Part 135 and for Part 121 air carriers (including all routes that Purchaser has stated that it wishes to continue servicing) and such Certificate re-issuance procedures as FAA might determine shall have been accomplished with the FAA such

that Purchaser shall be entitled to commence providing air transportation for passengers and freight pursuant to such re-issued FAA Part 121 and Part 135 Certificate.

(j) Certain Agreements. Any consents required to the assignment or transfer of the Assigned Contracts, including without limitation the Engine Services Agreements to be acquired from Seller, shall have been obtained to the reasonable satisfaction of Purchaser. In addition, Purchaser shall have, with respect to any asset of Seller that may be secured by a purchase money security interest, security interest or lien that is senior to any security interest or lien of Purchaser, entered into a lease with Seller, in the Purchaser's sole and absolute discretion, whereby Purchaser leases certain assets rather than purchasing such assets as an Acquired Asset hereunder.

(k) Material Adverse Effect. There shall not have been any event or events causing a Material Adverse Effect.

(l) Violations of Law. There shall be no violations of Law that, in the opinion of Purchaser in its sole and absolute discretion, could adversely affect in any manner Purchaser's operation of the Business.

(m) Schedules and Exhibits. All of the Schedules and Exhibits shall have been delivered prior to execution of this agreement and shall all be acceptable to Purchaser in its reasonable discretion.

(n) Deliverables. Sellers shall have delivered or be prepared to deliver all of the items required by Section 10.2 and all other items required to be delivered by Seller as of the Closing Date pursuant to the terms and conditions of this Agreement.

For avoidance of doubt, there shall be no conditions precedent to Purchaser's obligation to consummate the transactions contemplated by this Agreement, except for those conditions precedent specifically set forth in this Section 9.2. Upon the non-fulfillment of any condition set forth in this Section 9.2, this Agreement may, at Purchaser's option, be terminated pursuant to, in accordance with and with the effect set forth in ARTICLE 11.

ARTICLE 10 **CLOSING AND DELIVERIES**

Section 10.1 Closing. The consummation and effectuation of the transactions contemplated hereby pursuant to the terms and conditions of this Agreement (the "Closing") shall be held on the first Business Day on which all conditions (except for only those conditions that by their terms can only be satisfied on the Closing Date) to the obligations of the parties hereto set forth in ARTICLE 9 to consummate the transactions contemplated hereby are first satisfied and/or waived, or at such other time, date and place as the parties shall mutually agree (the "Closing Date"). The Closing shall on the Closing Date occur at 10:00 a.m., Pacific Time, in the offices of Keller & Benvenuti LLP in San Francisco, California, or as otherwise agreed by the Parties. All proceedings to be taken and all documents to be executed and delivered by all parties at the Closing shall be deemed to have been taken and executed simultaneously and no proceedings shall be deemed to have been taken nor documents executed or delivered until all have been taken, executed and delivered. Upon consummation of the Closing, the purchase and sale of the Acquired Assets

and the assumption of the Assumed Liabilities hereunder shall be deemed to have occurred as of 12:01 a.m. (Alaska Time) on the Closing Date.

Section 10.2 Seller's Deliveries. At the Closing:

(a) the sale, transfer, assignment, conveyance and delivery by Seller of the Acquired Assets to Purchaser or any entities as Purchaser shall direct, shall be effected by the execution and delivery by Seller of (i) the Bills of Sale, (ii) the Assignment and Assumption Agreement, (iii) the Trademark Assignment Agreements and (iv) such special or limited warranty deeds, additional bills of sale, endorsements, assignments and other instruments of transfer and conveyance reasonably satisfactory in form and substance to Purchaser;

(i) Seller shall deliver all keys to Leased Real Property that are included in the Acquired Assets, combinations to any safes thereon and passwords for all computers thereon and any security devices therein;

(ii) Seller shall deliver an officer's certificate, duly executed by a senior officer of Seller, certifying the matters set forth in **Section 9.2(a)** and **Section 9.2(b)**, in form and substance satisfactory to Purchaser;

(iii) Seller shall deliver a non-foreign affidavit dated as of the Closing Date in form and substance required under Treasury Regulations issued pursuant to Section 1445 of the Code so that Purchaser is exempt from withholding any portion of the Purchase Price;

(iv) Seller shall deliver possession of the Acquired Assets; and

(v) Seller shall deliver duly and properly authorized and executed documents (in form and substance satisfactory to Purchaser) as to the amendment of Seller's organizational documents (the "**Organizational Amendments**") changing Seller's name to another name which does not include any of the following words "**Peninsula**", "**Peninsula Airways**", "**PenAir**" or other iteration thereof.

Section 10.3 Purchaser's Deliveries. At the Closing:

(a) Purchaser shall pay the Purchase Price less the Deposit; and

(b) Purchaser shall execute and deliver to Seller the Assignment and Assumption Agreement and any other Ancillary Agreement which Purchaser is required to execute under the terms of this Agreement.

ARTICLE 11
TERMINATION

Section 11.1 Termination. This Agreement may be terminated only in accordance with this **Section 11.1**. This Agreement may be, or, as applicable, shall be, terminated at any time before the Closing as follows:

- (a) by mutual written consent of Seller and Purchaser;
- (b) automatically and without any action or notice by Seller to Purchaser, or Purchaser to Seller, immediately:
 - (i) upon the issuance of a final and non-appealable order, decree, or ruling or any other action by a Governmental Authority to restrain, enjoin or otherwise prohibit the transfer of the Acquired Assets contemplated hereby; or
 - (ii) if Purchaser is not declared the winning bidder upon completion of the Auction.
- (c) by Purchaser:
 - (i) [Reserved];
 - (ii) if the Auction has not concluded on or prior to October 3, 2018;
 - (iii) if the Bankruptcy Court has not entered the Bankruptcy Sale Order on or prior to October 5, 2018 (the "**Sale Order Deadline**");
 - (iv) if there has been a misstatement, violation or breach by Seller of any representation, warranty, agreement or covenant contained in this Agreement (disregarding any supplement or amendment to any of the Schedules pursuant to **Section 6.3(a)**) which (x) has rendered the satisfaction of any condition to the obligations of Purchaser set forth in **Section 9.2** impossible or is not curable or, if curable, has not been cured within seven (7) days following receipt by Seller of written notice of such violation or breach from Purchaser, and (y) has not been waived by Purchaser;
 - (v) at any time after November 15, 2018, if the Closing shall not have occurred;
 - (vi) if, prior to the Closing, the Bankruptcy Case shall be converted into a case under chapter 7 of the Bankruptcy Code or dismissed;
 - (vii) if there shall be excluded from the Acquired Assets any Assumed Contract that is not assignable or transferable pursuant to the Bankruptcy Code or otherwise without the consent of any Person other than Seller, to the extent that such consent shall not have been given prior to the Closing and the exclusion of such Assumed Contract shall, in the opinion of Purchaser in its sole and reasonable discretion, prevent Purchaser from effectively operating the Business;
 - (viii) if Purchaser so elects in writing pursuant to **Section 6.5**;
 - (ix) if any Claim is brought by any Person against any of Purchaser, any Purchaser Related Person or any of their affiliated or related Persons prior to the expiration of the applicable period in which such Claim could be brought;

(x) if the Acquired Assets, in the opinion of Purchaser in its reasonable discretion, are not sufficient to enable Purchaser to effectively operate the Business;

(xi) if there exists any default, violation or breach of or under any Contract to which Seller is a party which has not been disclosed to Purchaser;

(xii) there exist any violations of Law (when either taken individually or in the aggregate) that either (x) were not disclosed by Seller to Purchaser by the Effective Date or (y) occurred after the Effective Date, and in the opinion of Purchaser in its reasonable discretion, could adversely affect in any manner Purchaser's operation of the Business;

(xiii) the Exhibits delivered by Seller to Purchaser under this Agreement are not all acceptable to Purchaser in its reasonable discretion;

(xiv) upon the approval by the Bankruptcy Court of an Alternate Transaction; or

(xv) upon acceptance by Seller of an Alternate Transaction.

(d) by Seller, if there has been a misstatement, violation or breach by Purchaser of any representation, warranty, agreement or covenant contained in this Agreement which (x) has rendered the satisfaction of any condition to the obligations of Seller set forth in **Section 9.1** impossible or is not curable or, if curable, has not been cured within seven (7) days following receipt by Purchaser of written notice of such violation or breach from Seller, and (y) has not been waived by Seller.

Each condition set forth in this **Section 11.1** pursuant to which this Agreement may be terminated shall be considered separate and distinct from each other such condition. If more than one of the termination conditions set forth in **Section 11.1** are applicable, Purchaser shall have the right to choose the termination condition pursuant to which this Agreement is to be terminated.

Section 11.2 Effect of Termination.

(a) In the event of termination pursuant to **Section 11.1**, this Agreement shall become null and void and have no effect and no party hereto shall have any liability to the other parties hereto, except (i) if the circumstances giving rise to such termination were caused either by the other party's breach of this Agreement or by any of the representations and warranties contained in this Agreement by such other party being incorrect when made (disregarding any supplement or amendment to any of the Schedules pursuant to **Section 6.3(a)**) and (ii) with respect to the provisions of **ARTICLE 11**, **ARTICLE 12** and the applicable definitions set forth in **Schedule 1** hereto which shall expressly survive termination hereof.

(b) If this Agreement is terminated for any reason, then the Seller and Purchaser shall promptly direct the Escrow Agent to disburse the Deposit to Purchaser, free and clear of any claims thereon by the Seller; provided, however, if this Agreement is validly terminated by Seller pursuant to **Section 11.1(d)**, then Seller shall be entitled to terminate this Agreement and Seller and Purchaser shall promptly direct the Escrow Agent to disburse the Deposit to Seller as

liquidated damages. SELLER AGREES THAT SELLER'S RIGHT TO THE PAYMENT OF THE DEPOSIT (TOGETHER WITH ALL INTEREST THEREON) AS PROVIDED IN THIS SECTION 11.2(b) SHALL BE SELLER'S SOLE AND EXCLUSIVE REMEDY AGAINST PURCHASER OR ANY OF ITS AFFILIATES OR ANY OF THEIR RESPECTIVE STOCKHOLDERS, PARTNERS, MEMBERS, OR REPRESENTATIVES FOR ANY AND ALL ADVERSE CONSEQUENCES THAT MAY BE SUFFERED BY SELLER BASED ON, RESULTING FROM, OR ARISING OUT OF OR RELATED TO THE TRANSACTIONS OR THIS AGREEMENT, INCLUDING ANY AND ALL DAMAGES, LOSSES, EXPENSES, AND FEES THAT MAY BE SUFFERED BASED ON, RESULTING FROM, OR ARISING OUT OF OR RELATED TO THE CIRCUMSTANCES GIVING RISE TO TERMINATION OF THIS AGREEMENT, AND UPON PAYMENT OF THE DEPOSIT TO SELLER IN ACCORDANCE WITH THIS SECTION 11.2(b), NONE OF PURCHASER OR ANY OF ITS AFFILIATES OR ANY OF THEIR RESPECTIVE STOCKHOLDERS, PARTNERS, MEMBERS OR REPRESENTATIVES SHALL HAVE ANY FURTHER LIABILITY OR OBLIGATION RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS.

ARTICLE 12

MISCELLANEOUS

Section 12.1 Survival. No representations or warranties of Seller or Purchaser made in this Agreement shall survive the Closing Date except as otherwise expressly provided in this Agreement. All covenants and agreements of Seller and Purchaser contained herein shall survive the Closing in accordance with their terms.

Section 12.2 Further Assurances. At the request and the sole expense of the requesting party, Purchaser or Seller, as applicable, shall execute and deliver, or cause to be executed and delivered, such documents as Purchaser or Seller, as applicable, or their respective counsel may reasonably request to effectuate the purposes of this Agreement and the Ancillary Agreements.

Section 12.3 Successors and Assigns. This Agreement and the various rights and obligations arising hereunder shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns, including any trustee appointed in any subsequent chapter 7 case of Seller and Seller, if the Bankruptcy Case is dismissed. Except as set forth in clauses (a) or (b) below, neither this Agreement nor any of the rights, interests or obligations hereunder may be transferred or assigned (including by operation of law in connection with a merger or sale of stock, or sale of substantially all the assets, of a Person) by any of the parties hereto without the prior written consent of the other party or parties hereto (which consent may be granted, withheld, conditioned or delayed in such other party's sole and absolute discretion), and any attempted assignment in contravention or breach of the foregoing shall be void and of no force or effect. Notwithstanding the foregoing:

(a) Without the consent of Seller or any other Person, Purchaser may (i) assign this Agreement or any of Purchaser's rights, interests and/or obligations, in whole or in part (including the right or obligation to acquire any of the Acquired Assets or the right or obligation to assume any Assumed Liabilities), under this Agreement to one or more Persons who are Affiliates of Purchaser and (ii) designate any Person who is an Affiliate of Purchaser to perform

any of Purchaser's obligations, in whole or in part (including the obligation to acquire any of the Acquired Assets or the obligation to assume any Assumed Liabilities), under this Agreement.

(b) Without the consent of Seller or any other Person, Purchaser may assign this Agreement or any of Purchaser's rights, interests and/or benefits, in whole or in part, under this Agreement as collateral to any lender of Purchaser.

Section 12.4 Governing Law; Jurisdiction. This Agreement shall be construed, performed and enforced in accordance with, and governed by, the Laws of the State of Alaska (without giving effect to the principles of conflicts of laws thereof), except to the extent that the Laws of such State are superseded by the Bankruptcy Code or other applicable federal Law. For so long as Seller is subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Agreement, and consent as to the foregoing to the exclusive jurisdiction of, the Bankruptcy Court. After Seller is no longer subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Agreement, and consent to the jurisdiction of, any state or federal court having competent jurisdiction in Alaska.

Section 12.5 Expenses. Except as otherwise provided in this Agreement, each of the parties hereto shall pay its own expenses in connection with this Agreement and the transactions contemplated hereby, including any legal and accounting fees and commissions or finder's fees, whether or not the transactions contemplated hereby are consummated.

Section 12.6 Severability. In the event that any part of this Agreement is declared by any court or other judicial or administrative body to be null, void or unenforceable, a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision, said provision shall survive to the extent it is not so declared, and all of the other provisions of this Agreement shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable and the application of any provision so substituted, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth at the later of (a) the Effective Date and (b) the date (if any) this Agreement was last amended.

Section 12.7 Notices.

(a) All notices, requests, demands, consents, waivers and other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, if delivered personally; (ii) on the day of transmission, if sent via electronic transmission to the email address below (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); and (iii) if sent by overnight courier service, one (1) Business Day after deposit with an overnight courier service with next day delivery specified, in each case, properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to Seller:

McHale, P.A.
1601 Jackson Street, Suite 200
Fort Myers, FL 33901
Attention: Jerry McHale
Email: jerrym@thereceiver.net

With a copy to:

Johnson Pope Bokor Ruppel & Burns, LLP
SunTrust Financial Centre
401 East Jackson Street, Suite 3100
Tampa, FL 33602
Attention: Michael Markham
Email: MikeM@jpfirm.com

If to Purchaser:

Peninsula Aviation Services, Inc.
c/o Ravn Air Group
4700 Old International Airport Rd.
Anchorage, AK 99502
Attn: Steve Jackson
Email: Steve.Jackson@Flyravn.com

With a copy to:

Peninsula Aviation Services, Inc.
c/o Ravn Air Group
110 East 59th Street, 27th Floor
New York, NY 10022
Attn: David L. Ratner, Esq.
Email: dlr@jflpartners.com

With an additional copy to:

Keller & Benvenuti LLP
650 California Street, Suite 1900
San Francisco, California 94108
Attn: Tobias S. Keller & Jane Kim
Email: admin@kellerbenvenuti.com

(b) Any party hereto may change its address or facsimile number for the purpose of this **Section 12.7** by giving the other parties written notice of its new address in the manner set forth above. Written confirmation of receipt (A) given by the recipient of such notice, request, demand, consent, waiver or other communication, (B) mechanically or electronically

generated by the sender's email service containing the time, date and recipient or (C) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from an overnight courier service in accordance with clause (i), (ii) or (iii) above, respectively.

Section 12.8 Amendments; Waivers. This Agreement may be amended or modified, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed by Purchaser and Seller, or in the case of a waiver, by the party hereto waiving compliance. A modification or amendment by a party shall only be effective if (a) it is in writing and signed by both the parties, (b) it specifically refers to this Agreement and (c) it specifically states that the party, as the case may be, is modifying or amending its rights hereunder and any waiver by a party shall only be effective if (i) it is in writing and signed by the waiving party, (ii) it specifically refers to this Agreement and (iii) it specifically states that the party is waiving its rights hereunder. Any waiver by any party hereto of any condition, or of the breach of any provision, term, covenant, representation or warranty contained in this Agreement, in any one or more instances, shall not be deemed to be or construed as a furthering or continuing waiver of any such condition, or of the breach of any other provision, term, covenant, representation or warranty of this Agreement. Any amendment or modification shall be effective only in the specific instance and for the specific purpose for which it was given. Notwithstanding the foregoing, it is understood and agreed that any changes affected pursuant to **Section 2.6** shall not require compliance with this **Section 12.8**.

Section 12.9 Entire Agreement. This Agreement, the other Ancillary Agreements and the schedules and exhibits attached hereto and thereto and the instruments referenced herein and therein (all of which are hereby incorporated herein by reference), supersede all other prior oral or written agreements among the parties hereto solely with respect to the matters contained herein and therein, and this Agreement, the other Ancillary Agreements and the schedules and exhibits attached hereto and thereto and the instruments referenced herein and therein, contain the entire understanding of the parties hereto solely with respect to the matters contained herein and therein. For clarification purposes, the Recitals are part of this Agreement. It is understood and agreed by the parties hereto that all rights, obligations and provisions set forth herein, as well as the exercise of any such rights, the performance of any such obligations and any action taken (or inaction) related to this Agreement by any party hereto, shall be completely separate from, and independent of, all of the foregoing related to, or arising under the DIP Credit Agreement.

Section 12.10 Seller Disclosures. After notice to and consultation with Purchaser, Seller shall be entitled to disclose, if required by applicable Law or by order of the Bankruptcy Court, this Agreement and all information provided by Purchaser in connection herewith to the Bankruptcy Court, the United States Trustee, parties in interest in the Bankruptcy Case and other Persons bidding on assets of Seller. Other than statements made in the Bankruptcy Court (or in pleadings filed therein), Seller shall not issue (prior to, on or after the Closing) any press release or make any public statement or public communication without the prior written consent of Purchaser, which shall not unreasonably be withheld or delayed; provided, however, Seller, without the prior consent of Purchaser, may issue such press release or make such public statement as may, upon the advice of counsel, be required by Law or any Governmental Authority with competent jurisdiction.

Section 12.11 Headings. The article and section headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

Section 12.12 Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof

Section 12.13 Name Change. Immediately following the Closing, Seller shall discontinue the use of its current name (and any other trade names currently utilized by Seller) and shall not subsequently change its name to or otherwise use or employ any name which includes the words “**Peninsula**,” “**Peninsula Airlines**,” “**PenAir**” or any iteration thereof, and Seller shall cause its name in the caption of the Bankruptcy Case to be changed to the new names as provided for by the Organizational Amendments required to be delivered under **Section 10.2(a)(v)**. From and after the Closing, Seller covenants and agrees not to use or otherwise employ any of the trade names, corporate names, “d/b/a” names or similar Intellectual Property rights utilized by Seller in the conduct of the Business, which rights shall be included in the Acquired Assets purchased hereunder. Seller hereby irrevocably authorizes Purchaser to file, immediately following the Closing, the Organizational Amendments with the Alaska Secretary of State and in each State in which Seller is qualified to do business.

Section 12.14 Payments and Revenues. If after the Closing, Seller shall receive any payment, revenue or other amount that belongs to Purchaser pursuant to this Agreement, Seller shall promptly remit or cause to be remitted the same to Purchaser.

Section 12.15 Waiver of Jury Trial. EACH PARTY HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON, RELATING TO OR ARISING OUT OF THIS AGREEMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALLENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, ANTITRUST CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMONLAW OR STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH LEGAL COUNSEL OF ITS OWN CHOOSING, OR HAS HAD AN OPPORTUNITY TO DO SO, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS, HAVING HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THIS AGREEMENT. IN THE

EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT WITHOUT A JURY.

Section 12.16 No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, other than Purchaser's Related Persons.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

PURCHASER:

PENINSULA AVIATION SERVICES, INC.

By: _____

Name:

Title:

SELLER:

PENINSULA AIRWAYS, INC.

By: _____

Name:

Title:

Schedule 1

DEFINED TERMS

“Accounts Receivable” means accounts receivable, negotiable instruments, chattel paper (including, without limitation, completed work that has not yet been billed), credit card and other receivables (including, without limitation, in respect of services rendered including air transportation or other services performed by Seller but unbilled or uncollected as of Closing) for goods shipped, products sold, licenses granted or otherwise associated with the Business.

“Acquired Assets” has the meaning ascribed to it in **Section 2.1** of this Agreement.

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

“Agreement” has the meaning ascribed to it in the preamble of this Agreement.

“Aircraft Leases” means those aircraft leases between Seller and each of Jetstream Aviation Capital, LLC, Montrose Global LLP, Turbo Lease LLC and GSST LLC, in each case including all loose equipment provided by the lessor thereunder and all maintenance and other records required to be maintained thereunder.

“Alaska Airlines Contracts” means any Capacity Purchase Agreements, Code Share Agreements, Mileage Plan Program Participation Agreements, and the Passenger Services Agreement for (BOS) (including all amendments and modifications thereto) between Alaska Airlines, Inc. and its affiliates and Seller.

“Allocation Statement” has the meaning ascribed to it in **Section 3.2** of this Agreement.

“Alternate Transaction” means a transaction or series of related transactions pursuant to which Seller (a) accepts a Qualified Bid, other than that of Purchaser, as the highest or best offer, or (b) sells, transfers, leases or otherwise disposes of, directly or indirectly, including through an asset sale, stock sale, merger, reorganization or other similar transaction (by Seller or otherwise), including pursuant to a stand-alone plan of reorganization or refinancing, all or substantially all of the Acquired Assets (or agrees to do any of the foregoing) in a transaction or series of transactions to a party or parties other than Purchaser.

“Ancillary Agreement” means any other agreement, document or instrument that Seller or Purchaser, as applicable, enters into in connection with the consummation of the transactions contemplated hereby.

“Assigned Causes of Action” means any rights, claims and Causes of Action (i) against Critical Vendors, and (ii) arising out of or related to the Acquired Assets against any Person,

including claims and Causes of Action related to Contracts, Facilities Leases, Leases and other agreements related to the Acquired Assets.

“**Assigned Contract**” has the meaning ascribed to it in **Section 2.5(b)(ii)** of this Agreement.

“**Assignment and Assumption Agreement**” means the Assignment and Assumption Agreement in substantially the form annexed hereto as **Exhibit B** evidencing the assignment to and assumption by Purchaser of all rights and obligations under the Assigned Contracts.

“**Assumed Contract**” has the meaning ascribed to it in **Section 2.5(a)(ii)** of this Agreement and shall include in all cases the Code Share Agreements.

“**Assumed Employee Liabilities**” has the meaning ascribed to it in **Section 2.3(b)** of this Agreement.

“**Assumed Environmental Liabilities**” has the meaning ascribed to it in **Section 2.3(c)** of this Agreement.

“**Assumed Liabilities**” has the meaning ascribed to it in **Section 2.3** of this Agreement.

“**Auction**” means the auction for the sale of Seller’s assets conducted by Seller pursuant to the Bidding Procedures Order.

“**Bankruptcy Cases**” has the meaning ascribed to it in the recitals of this Agreement.

“**Bankruptcy Code**” has the meaning ascribed to it in the recitals of this Agreement.

“**Bankruptcy Court**” has the meaning ascribed to it in the recitals of this Agreement.

“**Bankruptcy Sale Order**” means an order, in all material respects in the form of **Exhibit A**, issued by the Bankruptcy Court, which Bankruptcy Sale Order shall be acceptable to Purchaser in its sole and absolute discretion.

“**Bidding Procedures Order**” means the order relating to bidding procedures entered by the Bankruptcy Court on August 31, 2018 (ECF No. 472).

“**Bill of Sale**” means each Bill of Sale in all material respects in the form of **Exhibit C** conveying to Purchaser title to all of the Acquired Assets.

“**Business**” has the meaning ascribed to in the recitals to this Agreement.

“**Business Day**” means any day other than Saturday, Sunday and any day that is a legal holiday or a day on which banking institutions in New York, Delaware or Alaska are authorized by Law or other governmental action to close.

“**Capacity Purchase Agreements**” means those certain Contracts consisting of capacity purchase agreements, however entitled, with Alaska Airlines, Inc.

“**Cash**” means all cash on hand and in banks, cash equivalents, marketable securities, short-term investments, treasury bills, money orders, checks (including cash in transit such as checks received prior to the Closing, whether or not deposited or cleared prior to the Closing), checking account balances, instruments for the payment of money, certificates of deposit and other time deposits.

“**Casualty**” has the meaning ascribed to it in **Section 6.5** of this Agreement.

“**Causes of Action**” means all claims for relief and causes of action relating to a Claim held by Seller immediately prior to the Closing Date, including, but not limited to, any and all obligations, rights, suits, damages, causes of action, causes of action arising under Chapter 5 of the Bankruptcy Code.

“**Claim**” has the meaning ascribed by Bankruptcy Code §101(5), including all rights, claims, causes of action, defenses, debts, demands, damages, offset rights, setoff rights, recoupment rights, obligations, and liabilities of any kind or nature under contract, at law or in equity, known or unknown, contingent or matured, liquidated or unliquidated, and all rights and remedies with respect thereto.

“**Closing**” has the meaning ascribed to it in **Section 10.1** of this Agreement.

“**Closing Date**” has the meaning ascribed to it in **Section 10.1** of this Agreement.

“**COBRA**” means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

“**Code Share Agreements**” means those certain Contracts consisting of code share agreements, however entitled, all marketing arrangements with other airlines (which operate a flight and for which Seller sells tickets), and all pro-rate agreements and interline partner agreements.

“**Contract**” means any agreement, contract, lease, sublease, purchase order, arrangement, license, commitment, insurance policy or other binding arrangement or understanding (including, without limitation, Code Share Agreements, Capacity Purchase Agreements, Service Agreements, and leases for the Leased Property), whether written or oral, and any amendments, modifications or supplements thereto that is an executory contract pursuant to Section 365 of the Bankruptcy Code.

“**Contracts Schedule**” has the meaning ascribed to it in **Section 2.5(a)(i)** of this Agreement.

“**Critical Vendors**” means those lessors, vendors, suppliers, service providers, contractors, and employees that (i) will provide material support to the Purchaser post-Closing; and (ii) have been identified by Purchaser in a writing delivered to the Seller prior to the Closing Date (which writing may be revised or amended at any time prior to the Closing Date).

“Cure Amounts” means all amounts, costs and expenses required by the Bankruptcy Court to cure all defaults under the Contracts so that they may be sold and assigned to Purchaser pursuant to Sections 363 and 365 of the Bankruptcy Code.

“Data” means all Documents and data related to the Business, including, but not limited to all clinical, analytical, bench and manufacturing data.

“Deposit” has the meaning ascribed to it in **Section 3.1(a)** of this Agreement.

“Designation Period” means the period after the entry of the Bankruptcy Sale Order and a date to be mutually agreed between Purchaser and Seller, provided that such date shall be no earlier than ten (10) calendar days before the Closing Date and no later than the Closing Date.

“DIP Credit Agreement” means that certain Secured Super-Priority Debtor-In-Possession Credit Agreement, dated November 14, 2017, by and between Seller and DeBello Investors LLC, as amended, restated, supplemented or otherwise modified and in effect from time to time.

“DIP Orders” means the interim and final orders of the Bankruptcy Court approving Seller’s entry into the DIP Credit Agreement.

“Documents” means all files, documents, instruments, papers, books, reports, records, tapes, microfilms, photographs, letters, budgets, forecasts, ledgers, journals, title policies, customer and supplier lists and information, regulatory filings, operating data and plans, technical documentation (design specifications, functional requirements, operating instructions, logic manuals, flow charts, etc.), user documentation (installation guides, user manuals, training materials, release notes, working papers, etc.), marketing documentation (sales brochures, flyers, pamphlets, web pages, etc.), cost of pricing information, business plans, quality control records and procedures, blueprints, accounting, legal and tax files (including all related memoranda and analyses therein), all files, customer and supplier files and documents (including credit information), personnel files and employment records relating to employees (including, without limitation, applicable completed I-9 forms), supplier lists, records, literature and correspondence, including materials relating to Inventories, services, marketing, advertising, promotional materials, and other similar materials to the extent related to, used in, held for use in, the Business or the Acquired Assets in each case whether or not in electronic form, whether or not physically located on any of the premises of the Leased Property, but excluding any materials exclusively related to any Excluded Assets.

“DOT” has the meaning ascribed to it in **Section 2.1(d)**.

“Effective Date” has the meaning ascribed to it in the preamble of this Agreement.

“Employee Benefit Plans” means all (a) employee pension benefit plans as defined in Section 3(2) of ERISA, (b) employee welfare benefit plans as defined in Section 3(1) of ERISA, and (c) stock option, bonus, deferred compensation, retention, severance, or termination pay plans or policies or any other plans or policies providing for compensation or benefits (including any employment, severance, change in control or similar agreement or any arrangement relating to a sale of the Business), in each case, that is maintained, administered, or contributed to (or with respect to which any obligation to contribute has been undertaken) by Seller or any ERISA

Affiliate and that covers any current or former employee, director, manager, member, officer or consultant of Seller (or their dependents, spouses or beneficiaries).

“Employees” means all individuals employed by Seller in connection with the Business.

“Encumbrances” means, to the extent not considered a Lien, any security interest, lien, collateral assignment, right of setoff, debt, obligation, liability, pledge, levy, charge, escrow, encumbrance, option, right of first refusal, restriction (whether on transfer, disposition or otherwise), third party right, right limited to Seller personally, other agreement term tending to limit any right or privilege of Seller under any Contract, conditional sale Contract, title retention Contract, mortgage, lease, deed of trust, hypothecation, indenture, security agreement, easement, license, servitude, proxy, voting trust, transfer restriction under any shareholder or similar agreement, or any other agreement, arrangement, Contract, commitment, understanding or obligation of any kind whatsoever, whether written or oral, or imposed by any Law, equity or otherwise.

“Engine Services Agreements” means all service agreements set forth on Schedule 2.5(a) hereto.

“Environmental Laws” means all federal, state, and local statutes, regulations, and ordinances (including common laws) concerning employee health and safety, the pollution or protection of human health or the environment, including, without limitation, the Clean Air Act, the Clean Water Act, the Resource Conservation Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Occupational Safety and Health Act, and the Hazardous Materials Transportation Act.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” means any trade or business (whether or not incorporated) which is treated as a single employer with Seller under Section 414(b), (c), (m) or (o) of the Code or Section 4001 of ERISA.

“Escrow Agent” means the Trustee or his designee.

“Essential Air Services” means the program administered by the DOT to ensure that small communities previously served by certificated air carriers before deregulation would continue to receive scheduled passenger service, with subsidies if necessary

“Excluded Assets” has the meaning ascribed to it in **Section 2.2** of this Agreement.

“Excluded Liabilities” has the meaning ascribed to it in **Section 2.4** of this Agreement.

“FAA” shall mean the United States Federal Aviation Administration or any successor thereto.

“Facilities Leases” means all airport base facility leases to which Seller, or either of them, are a party, all of which are included in Schedule 2.5(a) hereto, which shall include without limitation all of Seller’s right and interest thereunder in and to Seller’s pilot and maintenance bases

and hangar leases in Anchorage, Alaska, and Boston, Massachusetts, ramp space, and associated service facilities.

“Federal Aviation Act” shall mean the Federal Aviation Act of 1958, as amended, together with the aviation regulations of the FAA, as the same may be in effect from time to time.

“Final Order” means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction with respect to the subject matter, (i) which has not been reversed, stayed, modified, amended, enjoined, set aside, annulled or suspended, (ii) with respect to which no request for a stay, motion or application for reconsideration or rehearing, notice of appeal or petition for certiorari is filed within the deadline provided by applicable statute or regulation or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought, and (iii) as to which the deadlines for filing such request, motion, petition, application, appeal or notice referred to in clause (ii) above have expired.

“FF&E” means all equipment including, without limitation, laser equipment, machinery, fixtures, furniture and other tangible property including all attachments, appliances, fittings, gas and oil burners, lighting fixtures, signs, doors, cabinets, partitions, mantels, motors, pumps, screens, plumbing, heating, air conditioning, refrigerators, freezers, refrigerating and cooling systems, waste disposal and storing, wiring, telephones, televisions, monitors, security systems, racks, ovens, stoves, carpets, floor coverings, wall coverings, office equipment, kitchen appliances, computers (including point-of-sale terminals and systems), registers and safes, trash containers, meters and scales, combinations, codes and keys, and any other furniture, fixtures, equipment and improvements.

“FNBA Deposit” means cash on deposit with First National Bank of Alaska in an amount necessary to cover all potential obligations to First National Bank of Alaska related to future flights to be operated by the Purchaser as of the Closing Date. Any cash remaining on deposit with First National Bank of Alaska, after satisfaction of the foregoing shall constitute Cash and be returned to the Seller.

“Governmental Authority” means any federal, state, local court, tribunal, governmental department, agency, board or commission, regulatory or supervisory authority, or other administrative, governmental or quasi-governmental body, subdivision or instrumentality.

“Ground Equipment Leases” has the meaning ascribed it in **Section 4.19(c)**.

“Ground Support Equipment” means each vehicle, tool, piece of equipment, or other tangible asset owned or leased by Seller in connection with aircraft operations or maintenance at facilities included in or covered by the Station Leases.

“Hazardous Material” means (i) those substances included within the statutory and/or regulatory definitions of “hazardous substance,” “hazardous waste,” “extremely hazardous substance,” “regulated substance,” “contaminant,” “hazardous materials” or “toxic substances,” under any Environmental Law, (ii) those substances listed in 49 C.F.R. 172.101 and in 40 C.F.R. Part 302; (iii) any material, waste or substance which is (A) petroleum, oil or a fraction or constituent thereof, (B) ACM, (C) polychlorinated biphenyls; (D) formaldehyde, (E) designated

as a "hazardous substance" pursuant to 33 U.S.C. § 1321 or listed pursuant to 33 U.S.C. § 1317; (F) explosives or (G) radioactive materials (including naturally occurring radioactive materials); (iv) solid wastes that pose imminent and substantial endangerment to health or the environment; (v) any material, waste or substance designated, classified or regulated as a "hazardous material," "hazardous substance," "toxic substance," "pollutant," or "pollution" under any Environmental Laws; (vi) radon gas in an ambient air concentration exceeding four picocuries per liter (4 pCi/l); (vii) such other substances, materials, or wastes that are or become classified or regulated under Environmental Laws; (viii) any Underground Storage Tank and (ix) any Aboveground Storage Tank.

"Held Contract" has the meaning ascribed to it in Section 2.5(a)(ii) of this Agreement.

"Improvements" means buildings, structures, systems, facilities, easements, rights-of-way, privileges, improvements, licenses, hereditaments, appurtenances and all other rights and benefits belonging, or in any way related, to the Leased Property.

"Intellectual Property" means all intellectual property, including, without limitation, (a) patents, patent applications and patent disclosures, together with all reissuances, continuations, continuations in part, revisions, extensions, reexaminations, provisionals, divisions, renewals, revivals, and foreign counterparts thereof and all registrations and renewals in connection therewith, (b) trademarks, service marks, trade dress, logos, trade names (including but not limited to Peninsula Airways and PenAir) and corporate names and other indicia of origin and corporate branding, together with all translations, adaptations, derivations and combinations thereof and including all goodwill associated therewith, and all applications, registrations and renewals in connection therewith, (c) works of authorship, copyrightable works, copyrights and all applications, registrations and renewals in connection therewith, (d) mask works and all applications, registrations and renewals in connection therewith, (e) trade secrets, inventions and confidential business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, business and marketing plans and proposals, assembly, test, installation, service and inspection instructions and procedures, technical, operating and service and maintenance manuals and data, hardware reference manuals and engineering, programming, service and maintenance notes and logs), (f) Software, (g) internet addresses, uniform resource locaters, domain names, websites and web pages, (h) any and all other intellectual property and proprietary rights, (i) company-wide telephone numbers (including facsimile numbers) and (j) goodwill related to all of the foregoing, in each case to the extent used or useful in the operation of the Business or related to the Acquired Assets.

"Interest" means "interest" as that term is used in Section 363(f) of the Bankruptcy Code.

"Inventories" or **"Inventory"** means all inventory of any kind or nature (other than FF&E) whether or not prepaid, and wherever located, held or owned, including, without limitation, office and medical supplies, service parts and accessories.

"Knowledge," with respect to Seller, means the actual or constructive knowledge of any of the following individuals: Danny Seybert, Scott Bloomquist and David M. Richards.

“**Law**” means any law, statute, ordinance, regulation, rule, code or rule of common law or otherwise of, or any order (including, without limitation, the Orders), judgment, injunction or decree issued, promulgated, enforced or entered by, any Governmental Authority.

“**Leased Property**” means all real or personal property leased, subleased or licensed by Seller which is used or useful in connection with the operation of the Business or related to the Acquired Assets, including Station Leases and Ground Equipment Leases.

“**Lien**” has the meaning given to that term in the Bankruptcy Code.

“**Material Adverse Effect**” means a state of facts, event, change, effect, condition or matter that, individually or in the aggregate is or could reasonably be expected to result in a material adverse change or material adverse effect on (i) the condition (financial or otherwise), business, properties, assets, results of operations, or prospects of the Business, (ii) the ability of Seller to conduct the Business consistent with recent history, including (but not limited to) operating all routes that Seller serves as of the Closing with a sufficient number of pilots, dispatchers, and mechanics, all in Purchaser’s reasonable discretion, or (iii) the ability of Seller to perform its obligations under this Agreement and the Ancillary Agreements in material compliance with the requirements thereof or to consummate the transactions contemplated hereby and thereby; provided, however, that to the extent any such material adverse effect results from any of the following matters, such effect shall be disregarded and shall not be taken into account in determining whether a material adverse effect has occurred under this definition: (A) changes in financial, credit or securities markets generally, including any changes in prevailing interest rates, in each case, which do not disproportionately affect Seller relative to other industry participants, (B) changes in general economic or political conditions in the United States or regionally, in each case, which do not disproportionately affect Seller relative to other industry participants, (C) the announcement, pendency or consummation of the sale of the Acquired Assets, (D) the consequences of filing the Bankruptcy Case and the impact thereof on the condition (financial or otherwise), business, properties, assets, or results of operations of the Business, (E) actions taken or omissions made after the date of this Agreement with the express written consent of Purchaser, (F) changes resulting from general industry-wide conditions that do not disproportionately affect Seller relative to other industry participants, and (G) changes in applicable Law or accounting rules, including generally accepted accounting principles.

“**Nonassignable Asset**” has the meaning ascribed to it in Section 2.5(c) of this Agreement.

“**Orders**” means the Bankruptcy Sale Order and the Bidding Procedures Order.

“**Ordinary Course of Business**” means the conduct by Seller of the Business in substantially the same manner as conducted as of the Effective Date and in compliance with applicable Law, Permits and Contracts in all material respects, after taking into consideration changes that are a result of, relating to, in connection with or resulting from the Bankruptcy Case.

“**Organizational Amendments**” has the meaning ascribed to it in Section 10.2(a)(v) of this Agreement.

“**Owned Station Items**” has the meaning ascribed to it in Section 4.19(d) of this Agreement.

“**Permitted Exceptions**” has the meaning ascribed to it in **Section 4.4** of this Agreement.

“**Permitted Liens**” means: (a) statutory liens arising in the Ordinary Course of Business that are not overdue and that do not affect in any material respect the value or use of the affected asset; (b) pledges or deposits in connection with workers’ compensation, unemployment insurance and other social security legislation; and (c) easements, rights-of-way, restrictions and other similar encumbrances other than monetary encumbrances, judgments and monetary liens that in each case do not detract in any material respect from the value or use of the property subject thereto or interfere in any material respect with the ordinary conduct of the business of Seller at the property subject thereto.

“**Permits**” means all licenses, certificates, permits, concessions, authorizations, grants, easements, variances, exemptions, consents, orders, franchise, filings, approvals, authorizations and licenses used, useable or useful in the operation of the Business or the use or enjoyment or benefit of the Acquired Assets.

“**Person**” means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization or Governmental Authority or other entity.

“**Petition Date**” means August 6, 2017.

“**Purchase Price**” has the meaning ascribed to it in **Section 3.2** of this Agreement.

“**Purchaser**” has the meaning ascribed to it in the preamble of this Agreement.

“**Qualified Bid**” means competing bids qualified for the Auction in accordance with the Bidding Procedures Order.

“**Rejected Contract**” has the meaning ascribed to it in **Section 2.5(a)(ii)** of this Agreement.

“**Related Person**” means, with respect to any Person, all past, present and future directors, officers, members, managers, partners, limited partners, stockholders, employees, controlling persons, Affiliates, agents, professionals, attorneys, accountants, lenders, investment bankers or representatives of any such Person.

“**Retained Employees**” has the meaning ascribed to it in **Section 6.4(a)** of this Agreement.

“**Sale Hearing**” means the hearing to consider the entry of the Bankruptcy Sale Order.

“**Sale Order Deadline**” has the meaning ascribed to it in **Section 11.1(c)(iii)** of this Agreement.

“**Schedules**” has the meaning ascribed to it in **Section 6.3** of this Agreement.

“**Service Agreements**” has the meaning ascribed to it in **Section 4.19(i)** of this Agreement.

“Software” means any computer program, operating system, application, system, firmware or software of any nature, point-of-entry system, peripherals, and data whether operational, active, under development or design, nonoperational or inactive, including all object code, source code, comment code, algorithms, processes, formulae, interfaces, navigational devices, menu structures or arrangements, icons, operational instructions, scripts, commands, syntax, screen designs, reports, designs, concepts, visual expressions, technical manuals, tests scripts, user manuals and other documentation therefor, whether in machine-readable form, virtual machine-readable form, programming language, modeling language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature, and all databases necessary or appropriate in connection with the operation or use of any such computer program, operating system, application, system, firmware or software.

“Station” shall mean any airport at which Seller has a Station Lease.

“Station Lease” shall have the meaning ascribed to such term in **Section 2.1(c)** of this Agreement.

“Station Property” shall mean all facilities, equipment, furnishings, fixtures (including permanent improvements to any property comprising Station Property), leasehold improvements, appurtenances and personalty (including, without limitation, ticket counters, ticket kiosks and other ticketing dispensers or devices) owned by Seller and used in connection with any Station Lease, but does not include Ground Support Equipment.

“Tax” or **“Taxes”** means all taxes, fees and other governmental charges, however denominated, including any interest, penalties or additions to such taxes, fees or charges that may become payable in respect thereof, imposed by any Governmental Authority, whether payable by reason of Contract, assumption, transferee liability, operation of law or Treasury Regulation Section 1.1502-6(a) (or any predecessor or successor thereof or any analogous or similar provision under Law), which taxes shall include all income taxes, payroll and employee withholding, unemployment insurance, social security (or similar), sales and use, excise, franchise, gross receipts, occupation, real and personal property, stamp, transfer, workers’ compensation, customs duties, registration, documentary, value-added, alternative or add-on minimum, estimated, environmental (including taxes under Section 59A of the Code), passenger ticket and airport taxes, departure, arrival and flight segment taxes, jet fuel taxes, cargo taxes, passenger facility charges, customs user fees, immigration user fees, aircraft and passenger fees, agricultural inspection fees, transportation security fees, and other assessments or obligations of the same or a similar nature, whether arising before, on or after the Closing Date.

“Tax Return” means any report, return, information return, filing or other information, including any schedules, exhibits or attachments thereto, and any amendments to any of the foregoing required to be filed or maintained in connection with the calculation, determination, assessment or collection of any Taxes (including estimated Taxes).

“Trademark Assignment Agreement” means the Trademark Assignment Agreement in substantially the form annexed hereto as **Exhibit D** evidencing the assignment to Purchaser of all trademarks which are Acquired Assets.

“**Transaction Taxes**” has the meaning ascribed to it in **Section 7.1(a)** of this Agreement.

“**Treasury Regulation**” means, with respect to any referenced provision, such provision of the regulations promulgated by the United States Department of the Treasury.

“**Trust Fund Tax**” means any Tax for which Seller is liable to any Governmental Authority by reason of collecting it from passengers or another Person and holding the Tax until paid to the particular Governmental Entity to which it is owed, including fuel taxes, sales taxes, passenger ticket, departure and arrival taxes, excise taxes, and certain payroll taxes.

“**WARN Act**” means the Worker Adjustment and Retraining Notification Act, 29 U.S.C. Section 2101, *et seq*, as amended.

Schedule 2.1(n)

ASSET LISTING

See separate Schedule 2.1(n), attached.

| System # | Description | Active | Asset # | Loc | In Service Date | Cost |
|----------|--------------------------------|--------|---------|-----|-----------------|--------------|
| 000001 | SARATOGA 4327P | A | 0020 | AKN | 07/01/89 | 91,220.00 |
| 000004 | SAAB N364PX s/n 340B-262 | A | 0952 | ANC | 01/05/11 | 2,100,000.00 |
| 000011 | SAAB N364PX COCKPIT VOICE RCDR | A | 0893 | ADM | 10/11/07 | 30,111.82 |
| 000012 | SAAB N364PX FLIGHT DATA RCDR | A | 0894 | ADM | 10/08/07 | 27,111.82 |
| 000016 | SAAB SPARE DOWTY PROPELLER | A | 0849 | ADM | 05/01/06 | 79,689.00 |
| 000017 | SAAB N364PX GRAVEL GUARD KIT | A | 0892 | ADM | 02/01/07 | 52,000.00 |
| 000018 | SAAB N364PX 19seat SVC BLLTIN | A | 0921 | ANC | 09/16/09 | 22,500.00 |
| 000019 | SAAB SPARE PROP s/nDRG/2595/85 | A | 0945 | ADM | 10/13/10 | 80,000.00 |
| 000025 | SAAB SPARE NLG SHOCK STRUT | A | 0970 | ADM | 05/06/11 | 40,705.18 |
| 000026 | SAAB SPARE NLG DRAG BRACE | A | 0971 | ADM | 05/06/11 | 25,705.18 |
| 000027 | SAAB SPARE MLG SHOCK STRUT | A | 0972 | ADM | 05/06/11 | 45,705.18 |
| 000028 | SAAB SPARE MLG SHOCK STRUT | A | 0973 | ADM | 05/06/11 | 45,705.18 |
| 000029 | SAAB SPARE MLG DRAG BRACE AYRH | A | 0974 | ADM | 05/06/11 | 33,205.18 |
| 000030 | SAAB SPARE MLG DRAG BRACE AYLH | A | 0975 | ADM | 05/06/11 | 33,205.17 |
| 000031 | SAAB SPARE GEARBOX FOR PROP | A | 0976 | ADM | 07/13/11 | 86,044.61 |
| 000033 | PROPELLER ASSEMBLY | A | 1027 | ADM | 02/05/14 | 80,000.00 |
| 000034 | S SAAB COLD WEATHER KITS | A | 0551 | ADM | 02/01/97 | 16,185.00 |
| 000035 | N675PA SAAB UPGRADES | A | 0555 | ADM | 02/01/97 | 64,148.60 |
| 000036 | 675PA DATA RECORDER BOX | A | 0710 | ADM | 08/01/00 | 41,295.00 |
| 000038 | SAAB N675PA TAWS | A | 0839 | ADM | 06/01/05 | 77,300.00 |
| 000040 | SAAB N675PA FLIGHT DATA RCDR | A | 0857 | ADM | 07/01/06 | 24,604.55 |
| 000041 | SAAB N675PA PAINT | A | 0871 | ADM | 01/01/07 | 39,532.77 |
| 000049 | SAAB N675PA COCKPIT VOICE REC | A | 0917 | ADM | 11/01/06 | 11,955.81 |
| 000050 | SAAB 19seat SVC BLLTIN | A | 0922 | ADM | 09/16/09 | 22,500.00 |
| 000051 | SAAB N403XJ CARGO MOD+INSTALL | A | 0929 | ADM | 12/19/09 | 45,283.72 |
| 000052 | SAAB N404XJ CARGO MODIFICATION | A | 0937 | ADM | 12/30/09 | 47,941.87 |
| 000053 | SAAB N404XJ GPS KLN900 | A | 0938 | ADM | 01/18/10 | 21,499.90 |
| 000054 | SAAB N403XJ GPS KLN900 SYSTEM | A | 0942 | ADM | 12/19/09 | 26,503.67 |
| 000060 | SAAB N403XJ SVCBLTN FUEL REWIR | A | 1012 | ADM | 12/01/12 | 24,622.67 |
| 000062 | SAAB N410XJ GPS TAMDAR INSTALL | A | 1016 | ADM | 06/01/13 | 48,901.81 |
| 000063 | N404XJ FUEL TANK SVC BLTN+INST | A | 1021 | ADM | 09/01/13 | 23,190.75 |
| 000065 | SCALE - SNP | A | 0355 | ANC | 01/01/94 | 800.00 |
| 000066 | CARGO SEATS DLG | A | 0445 | DLG | 04/01/96 | 600.00 |
| 000067 | SCALE - AKN | A | 0456 | AKN | 05/01/96 | 600.00 |
| 000068 | SCALE CDB | A | 0472 | CDB | 06/01/96 | 2,040.00 |
| 000069 | ANC ICE MAKER | A | 0612 | ANC | 12/01/97 | 1,473.19 |
| 000070 | ANC AIRSTAIR CHAIR | A | 0649 | ANC | 07/01/98 | 772.00 |
| 000072 | ANC AIRPORT GATE SEATING UNITS | A | 0910 | KST | 09/26/08 | 9,600.00 |
| 000073 | SDP PAX TERMINAL SEATING | A | 0955 | SDP | 02/28/11 | 8,050.10 |
| 000075 | FREIGHT CART | A | 0069 | AKN | 03/31/86 | 650.00 |
| 000077 | FH-44 DECK SCALE | A | 0073 | KST | 02/15/90 | 3,000.00 |
| 000080 | PALLET JACK | A | 0209 | AKN | 05/01/91 | 399.00 |
| 000081 | MILLER THUNDERBOLT AC/DC | A | 0254 | KST | 09/15/91 | 444.00 |
| 000083 | ICE FROST HEATER | A | 0274 | KST | 01/15/92 | 1,600.00 |
| 000084 | HAND PALLET TRUCK | A | 0293 | AKN | 07/15/92 | 574.79 |
| 000085 | FLAT BED TRAILER | A | 0305 | DLG | 04/01/92 | 1,400.00 |
| 000087 | CARGO SCALE - DUT | A | 0322 | DUT | 04/01/93 | 850.00 |
| 000090 | POWERTOW | A | 0351 | CDB | 12/01/93 | 1,176.00 |
| 000092 | RADIOS & INSTALL STG | A | 0357 | KST | 03/01/94 | 2,363.98 |

| | | | | | | |
|--------|---------------------------------|---|------|-----|----------|------------|
| 000095 | SANDBLASTER - AKN | A | 0391 | AKN | 11/01/94 | 971.85 |
| 000097 | DLG BELT LOADER | A | 0401 | DLG | 06/01/95 | 11,169.00 |
| 000099 | 4 FOX CARTS GPUS | A | 0452 | KST | 05/01/96 | 3,000.00 |
| 000100 | DLG FORKLIFT MITSUBISHI | A | 0485 | DLG | 07/01/96 | 14,479.61 |
| 000101 | DE ICER AKN | A | 0486 | AKN | 07/01/96 | 2,800.00 |
| 000102 | DLG FUEL METERS (2) | A | 0488 | DLG | 08/01/96 | 5,347.60 |
| 000103 | STG FUEL PUMP & MOTOR | A | 0511 | KST | 10/01/96 | 2,260.45 |
| 000105 | ANI DEICER | A | 0515 | ANI | 10/01/96 | 4,739.70 |
| 000107 | KCG FUEL TANK | A | 0519 | AKN | 10/01/96 | 1,550.00 |
| 000108 | CDB FUEL PUMP | A | 0524 | CDB | 11/01/96 | 1,107.00 |
| 000113 | CDB FORKLIFT | A | 0582 | CDB | 07/01/97 | 11,800.00 |
| 000114 | ANC TUG ENGINE | A | 0588 | ADM | 08/01/97 | 1,525.00 |
| 000115 | ANC SNOW BLOWER | A | 0607 | ANC | 10/01/97 | 749.99 |
| 000117 | HERMAN NELSON HEATER | A | 0613 | ANC | 12/01/97 | 1,800.00 |
| 000120 | ANC DE-ICEING TANK | A | 0666 | ANC | 11/01/98 | 2,235.41 |
| 000123 | ANC VEHICLE MOUNT RADIO | A | 0694 | ANC | 11/01/99 | 1,342.95 |
| 000126 | SDP FUEL TANK | A | 0712 | SDP | 06/01/98 | 41,716.69 |
| 000127 | ANC ICE MAKER | A | 0713 | ANC | 09/01/00 | 2,228.20 |
| 000128 | ANC BAGGAGE CARTS | A | 0722 | ANC | 12/01/00 | 6,000.00 |
| 000129 | SDP FUEL TANK IMPROVEMENTS | A | 0729 | SDP | 02/01/01 | 3,584.00 |
| 000132 | SNP FUEL TANK | A | 0757 | SNP | 12/01/01 | 20,000.00 |
| 000135 | ANC TUG | A | 0762 | ANC | 12/01/01 | 2,000.00 |
| 000137 | CDB POWER TOW | A | 0765 | CDB | 05/01/02 | 1,331.00 |
| 000138 | ANC BELT LOADER | A | 0769 | ANC | 11/01/02 | 4,500.00 |
| 000139 | ANC BELT LOADER | A | 0772 | ANC | 12/01/02 | 1,501.78 |
| 000141 | DUT 01 GARSITE FUEL TRUCK | A | 0800 | DUT | 01/01/04 | 114,226.05 |
| 000144 | DUT 90 FORD FUEL TRUCK | A | 0803 | DUT | 01/01/04 | 10,000.00 |
| 000145 | DUT DEICER 300 gal | A | 0804 | DUT | 01/01/04 | 5,500.00 |
| 000146 | DUT 91 BELT LOADER | A | 0806 | DUT | 01/01/04 | 4,000.00 |
| 000147 | ANC 88 BELT LOADER TUG 660 | A | 0810 | ANC | 05/01/04 | 30,015.91 |
| 000148 | DLG 98 CARGO FORKLIFT,6000LB | A | 0811 | DLG | 05/01/04 | 17,406.17 |
| 000149 | AKN 97 FORD DeFUEL TRUCK | A | 0842 | AKN | 10/01/05 | 36,565.79 |
| 000151 | ANC GPU HOBART 600 s/n-10691 | A | 0861 | ANC | 10/01/06 | 7,945.00 |
| 000153 | SNP GPU HOBART 600 s/n-10717 | A | 0866 | SNP | 11/01/06 | 8,285.46 |
| 000155 | ANC GPU HOBART 600 s/n-11134 | A | 0874 | CDB | 02/01/07 | 7,945.00 |
| 000156 | CDB FORKLIFT D32S-3 DOOSAN | A | 0885 | CDB | 09/01/07 | 34,404.45 |
| 000157 | ANC TUG EAGLE TT-8GW | A | 0886 | ANC | 09/01/07 | 43,161.30 |
| 000158 | AKN FORKLIFT 07 CYCLONE 6000lb | A | 0888 | AKN | 09/06/07 | 24,593.61 |
| 000159 | AKN 95 FORD/DTS JET FUEL TRK | A | 0889 | AKN | 08/14/00 | 90,162.27 |
| 000160 | ANC GPU JET-EX5D DIESEL was CDB | A | 0901 | ANC | 11/09/07 | 30,858.25 |
| 000161 | ANC GPU JET-EX5D DIESEL 28.5V | A | 0908 | ANC | 06/04/08 | 29,800.00 |
| 000162 | AKN FORKLIFT 08 CLYCONE CY7030 | A | 0911 | AKN | 09/09/08 | 24,443.30 |
| 000163 | ANC TUG 660 BELT LOADER | A | 0925 | ANC | 11/10/09 | 6,850.00 |
| 000164 | ANC TUG 660 BELT LOADER | A | 0926 | ANC | 11/10/09 | 6,850.00 |
| 000167 | DLG FLOOR SCALE+INDICATOR | A | 0939 | DLG | 04/29/10 | 5,109.10 |
| 000168 | DLG CARGO FREEZER | A | 0940 | DLG | 09/11/09 | 13,229.40 |
| 000169 | SDP FORKLIFT DATSUN | A | 0966 | SDP | 05/06/11 | 10,518.54 |
| 000170 | DLG FORKLIFT GP30K-LP 42" Forks | A | 0983 | DLG | 10/11/11 | 17,667.60 |
| 000171 | CDB GPU HOBART ELECTRIC | A | 0984 | CDB | 10/20/11 | 9,250.00 |
| 000172 | BAGGAGE TUG CBT50-G | A | 0991 | ANC | 05/24/12 | 8,000.00 |

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| 000178 | PBG GSE BAGGAGE TRACTOR TUG-03 | A | 0997 | ANC | 06/11/12 | 6,000.00 |
| 000181 | PBG GSE BELTLOADER TUG 660-11 | A | 1000 | ANC | 06/14/12 | 6,500.00 |
| 000182 | PBG GSE AIRCRAFT TOW/PUSHBACK | A | 1001 | BOS | 06/14/12 | 6,500.00 |
| 000183 | PQI GSE BELTLOADER 660-11 | A | 1002 | ANC | 06/14/12 | 6,500.00 |
| 000184 | ANC CARGO FREZER 20' | A | 1003 | ANC | 07/24/12 | 9,500.00 |
| 000185 | PBG LAVATORY CART LC100 | A | 1005 | BOS | 06/14/12 | 5,874.00 |
| 000188 | DLG RAMP ELECTRICAL MODS | A | 1013 | DLG | 02/15/13 | 9,345.66 |
| 000189 | PBG BELT LOADER 2003 DIESEL | A | 1017 | BOS | 07/24/13 | 9,000.00 |
| 000190 | PBG BAGGAGE TRACTOR 1998 | A | 1018 | ANC | 07/24/13 | 10,500.00 |
| 000191 | DUT FORKLIFT 2007 CAT DP40K-D | A | 1025 | DUT | 01/24/14 | 27,200.63 |
| 000192 | PBG GPU-600 w/INPUT CABLE | A | 1026 | ANC | 01/15/14 | 6,716.44 |
| 000194 | VHF RADIO-BASE STATION AKN | A | 0358 | AKN | 04/01/94 | 1,498.00 |
| 000196 | SNP BASE STATION | A | 0379 | KST | 08/01/94 | 850.00 |
| 000197 | DLG VHF RADIO | A | 0509 | DLG | 10/01/96 | 543.95 |
| 000198 | BASE STATION - DLG | A | 0631 | DLG | 04/01/98 | 975.50 |
| 000199 | VHF GRND STATION KCQ/PTH | A | 0641 | AKN | 05/01/98 | 14,164.00 |
| 000200 | ANC BASE STATION RADIO | A | 0647 | ANC | 07/01/98 | 1,605.00 |
| 000202 | VHF GROUND STATION NIKOLSKI | A | 0738 | ANC | 03/01/01 | 6,299.39 |
| 000204 | STG AIR TO GROUND RADIO | A | 0768 | STG | 08/01/02 | 1,390.00 |
| 000209 | WEIGHING EQUIPMENT | A | 0085 | KST | 06/28/90 | 4,425.15 |
| 000213 | STROBE/BLADE CABLE ASSY | A | 0220 | KST | 06/01/91 | 4,864.25 |
| 000215 | BORESCOPE | A | 0308 | KST | 12/01/92 | 1,212.50 |
| 000220 | NAV/COM TEST SET | A | 0491 | KST | 08/01/96 | 5,042.25 |
| 000227 | 2 SAAB JACKS | A | 0549 | CDB | 02/01/97 | 6,487.00 |
| 000233 | CABLE TENSIONMETER | A | 0625 | KST | 02/01/98 | 841.55 |
| 000235 | ANC H2O TANK WASH | A | 0645 | ANC | 06/01/98 | 1,050.00 |
| 000237 | ANC HAND BRAKE | A | 0654 | ANC | 08/01/98 | 3,435.00 |
| 000239 | PROP LIFTER | A | 0668 | ANC | 01/01/99 | 2,951.25 |
| 000241 | ANC MX PORTABLE HEATER | A | 0686 | ANC | 11/01/99 | 8,250.48 |
| 000242 | ANC ENGINE STAND | A | 0687 | ANC | 10/01/99 | 11,354.00 |
| 000243 | ANC MX SHEET METAL TOOL | A | 0690 | ANC | 12/01/99 | 1,025.00 |
| 000247 | ANC HYDRAULIC MULE | A | 0723 | ANC | 12/01/00 | 7,405.01 |
| 000249 | ANC PROP BALANCE INDICATOR | A | 0750 | ANC | 09/01/01 | 19,325.39 |
| 000250 | ANC SCISSOR LIFT MODEL 1 | A | 0751 | ANC | 09/01/01 | 10,650.00 |
| 000251 | ANC IFR ATC-601 TEST SET | A | 0759 | ANC | 12/01/01 | 7,500.00 |
| 000252 | ANC BIRD TCAS-201 TEST SET | A | 0760 | ANC | 12/01/01 | 3,000.00 |
| 000253 | ANC TEST SET | A | 0766 | ANC | 06/01/02 | 4,500.00 |
| 000255 | ANC SAAB TOOL KIT | A | 0771 | ANC | 11/01/02 | 3,339.45 |
| 000256 | ANC VIDEO PROBE 300 SYSTEM | A | 0792 | ANC | 10/01/03 | 16,711.70 |
| 000257 | ANC MX PAINT BOOTH | A | 0808 | ANC | 07/01/04 | 16,955.10 |
| 000258 | ANC DME TESTER | A | 0822 | ANC | 11/01/04 | 5,576.60 |
| 000259 | ANC PROP BALANCE VIBREX 2000+ | A | 0848 | ANC | 04/01/06 | 6,565.70 |
| 000260 | ANC SAAB BUSHING CHNG TOOL KIT | A | 0860 | ANC | 09/01/06 | 5,626.50 |
| 000261 | ANC SAAB DUCT GRND TEST UNIT | A | 0870 | ADM | 11/01/06 | 8,311.00 |
| 000262 | ANC HOBART SAAB AC PWR TESTER | A | 0884 | ANC | 04/03/07 | 26,350.19 |
| 000263 | ANC SAAB BUSHING CHNG TOOL KIT | A | 0890 | ANC | 10/08/07 | 5,025.00 |
| 000264 | ANC VIDEO PROBE BORESCOPE | A | 0920 | ANC | 07/07/09 | 20,200.00 |
| 000265 | PBG MX AIRCRAFT BATTERY CHGR | A | 0923 | ANC | 09/17/09 | 11,865.69 |
| 000266 | ANC HEATCON DUAL ZONE HOT BOND | A | 0935 | ANC | 09/22/09 | 12,795.00 |
| 000267 | ANC SAAB 340 PROP STND+TRNSPRT | A | 0936 | ADM | 12/19/09 | 9,995.00 |

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| 000268 | ANC MXNT FDR DOWNLD UNIT,DBASE | A | 0977 | ADM | 07/21/11 | 38,575.32 |
| 000269 | ANC MXNT FALL PROTECTION SYSTM | A | 0978 | ADM | 07/21/11 | 23,699.83 |
| 000270 | ANC MXNT SAAB ENG/GEAR STAND | A | 0982 | ADM | 09/20/11 | 6,000.00 |
| 000271 | ANC MXNT HANGAR FLOOR SCRUBBER | A | 0985 | ANC | 10/24/11 | 9,814.22 |
| 000272 | ANC MXNT OXYGEN BOOSTER OB-30 | A | 1014 | ADM | 03/15/13 | 5,300.00 |
| 000273 | MX ACES PROP BALANCER | A | 1024 | ADM | 01/21/14 | 6,797.00 |
| 000277 | CDB VAN | A | 0597 | CDB | 09/01/97 | 21,670.00 |
| 000283 | ANC 03 FORD E350 PURCH VAN | A | 0793 | ANC | 11/01/03 | 21,476.00 |
| 000284 | SNP 03 CHEVY EXP VAN (WAS DUT) | A | 0798 | SNP | 02/01/04 | 25,237.00 |
| 000286 | DLG 05 ISUZU BOX TRUCK | A | 0843 | DLG | 10/01/05 | 37,541.34 |
| 000288 | SDP 2000 CHEVY BOX TRUCK | A | 0868 | SDP | 12/01/06 | 17,528.07 |
| 000289 | DUT 2006 ISUZU BOX TRUCK | A | 0875 | DUT | 02/01/07 | 32,748.00 |
| 000290 | ANC 2006 ISUZU BOX TRUCK | A | 0883 | ANC | 07/27/07 | 28,050.00 |
| 000292 | STG 2003 CHEVY BOX TRUCK | A | 0906 | STG | 05/01/08 | 23,039.69 |
| 000293 | SDP 2009 FORD RANGER w/CANOPY | A | 0924 | SDP | 10/02/09 | 23,097.00 |
| 000294 | ANC 2005 INT'L BYPASS MAIL TRK | A | 0932 | ANC | 11/24/09 | 24,750.00 |
| 000295 | CDB 2000 CHVY EXT CAB TRK sdp | A | 0947 | CDB | 10/26/10 | 10,199.00 |
| 000296 | DEN 2006 FORD EXPEDITION | A | 0953 | BOS | 01/20/11 | 19,532.35 |
| 000297 | DLG 2008 FORD E350 VAN | A | 0986 | DLG | 10/11/11 | 24,493.76 |
| 000298 | PQI 2005 CHEVY AVALANCHE WHITE | A | 1019 | BOS | 08/01/13 | 10,737.70 |
| 000299 | INVENT/MAINT PROGRAM | A | 0135 | ADM | 02/15/90 | 6,100.00 |
| 000300 | CREDENZA & FILE | A | 0154 | ADM | 09/15/90 | 543.00 |
| 000301 | LATERAL FILES | A | 0158 | ADM | 10/01/90 | 1,347.00 |
| 000303 | 2 CABINETS W/DOORS | A | 0167 | ADM | 02/15/91 | 1,393.58 |
| 000304 | 40" PROJ REM OAK | A | 0169 | ADM | 03/15/91 | 1,700.00 |
| 000307 | OFFICE FURNITURE | A | 0236 | CDB | 07/15/91 | 1,702.61 |
| 000308 | STORAGE CABINETS | A | 0237 | KST | 07/15/91 | 538.50 |
| 000311 | SHELVING (CDB) | A | 0257 | CDB | 09/15/91 | 526.50 |
| 000312 | SHELVING (ANC) | A | 0259 | KST | 09/15/91 | 428.16 |
| 000313 | 3 FIRE SAFE CABINETS | A | 0265 | CDB | 10/15/91 | 2,296.44 |
| 000314 | 1 FIRE SAFE CABINET & FREIGHT | A | 0266 | AKN | 10/15/91 | 787.91 |
| 000318 | FURNITURE - DUT CARGO | A | 0317 | DUT | 04/01/93 | 842.98 |
| 000322 | CDB FURNITURE | A | 0364 | CDB | 05/01/94 | 3,302.88 |
| 000327 | FURNITURE-DANNY (ANC) | A | 0431 | ADM | 11/01/95 | 616.96 |
| 000330 | CDB FURN, FREEZ & FRT | A | 0462 | CDB | 05/01/96 | 2,421.57 |
| 000331 | ACCTG PAPER SHREDDER | A | 0473 | ADM | 06/01/96 | 899.00 |
| 000334 | CDB FURNITURE | A | 0500 | CDB | 10/01/96 | 3,220.11 |
| 000344 | MISC OFC FURNITURE | A | 0567 | ANC | 05/01/97 | 1,066.00 |
| 000345 | ANC PHONE CABLING | A | 0572 | ANC | 06/01/97 | 41,149.12 |
| 000347 | CONF ROOM FURNITURE | A | 0590 | ADM | 08/01/97 | 1,619.00 |
| 000351 | ANC TABLE & BENCH | A | 0635 | KST | 04/01/98 | 509.94 |
| 000359 | ANC CALM MAINT SOFTWARE | A | 0816 | ANC | 02/01/05 | 103,413.87 |
| 000361 | ANC SABRE SYSTEM | A | 0819 | ANC | 10/01/04 | 94,598.00 |
| 000367 | ANC DELL COMP SERVER ESX1 | A | 0948 | ANC | 11/19/10 | 7,936.60 |
| 000368 | ANC DELL COMP SERVER ESX2 | A | 0949 | ANC | 11/19/10 | 7,936.60 |
| 000369 | ANC SAN COMP NETWORK FILE STOR | A | 0950 | ANC | 09/24/10 | 17,211.53 |
| 000370 | ANC SECURITY CAMERA SYSTEM | A | 0951 | ANC | 10/08/10 | 8,379.39 |
| 000371 | SDP PAX TERMINAL FURNISHINGS | A | 0956 | SDP | 02/28/11 | 8,358.57 |
| 000372 | SDP PAX TERMINAL FIXTURES | A | 0957 | SDP | 02/28/11 | 10,296.57 |
| 000374 | ANC BARRACUDA WEB FILTER | A | 0965 | ADM | 05/06/11 | 8,133.23 |

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| 000375 | BOS FIBER OPTIC CABLE+INSTALL | A | 0990 | BOS | 05/22/12 | 11,105.19 |
| 000376 | ANC ETRIP TRADER CREW SCHED | A | 1011 | ANC | 12/01/12 | 70,000.00 |
| 000377 | ESX6 POWEREDGE R720 SERVER | A | 1023 | ANC | 11/01/13 | 8,550.21 |
| 000383 | HANGAR | A | 0183 | CDB | 12/31/78 | 493,237.00 |
| 000385 | HANGAR | A | 0185 | CDB | 07/01/82 | 124,971.00 |
| 000386 | HANGAR | A | 0186 | CDB | 08/17/83 | 1,976.00 |
| 000387 | HANGAR INSULATION | A | 0188 | CDB | 11/30/84 | 16,897.00 |
| 000389 | ARTC HSE ADAK | A | 0190 | CDB | 02/15/85 | 1,034.75 |
| 000402 | TOYO STOVE HEATER | A | 0343 | AKN | 10/01/93 | 2,245.00 |
| 000407 | FUEL REGISTER | A | 0417 | AKN | 07/01/95 | 912.00 |
| 000409 | CDB HOUSING | A | 0444 | CDB | 03/01/96 | 180,369.80 |
| 000413 | CDB OFFICE | A | 0477 | CDB | 06/01/96 | 1,245.06 |
| 000415 | GARAGE CDB HSG | A | 0480 | CDB | 07/01/96 | 25,208.62 |
| 000416 | NNK TRAILER FURNACE | A | 0497 | AKN | 10/01/96 | 1,546.71 |
| 000417 | RAIN GUTTERS & INSTALL | A | 0579 | ADM | 07/01/97 | 1,732.00 |
| 000418 | ANC STORAGE | A | 0600 | ANC | 09/01/97 | 769.89 |
| 000419 | LOCKABLE SOCKETS (ANC HANGER) | A | 0601 | ADM | 10/01/97 | 1,427.79 |
| 000421 | CDB BOILER REPLACEMENT | A | 0703 | CDB | 01/01/00 | 36,609.25 |
| 000423 | DUPLEX & IMPROVEMENTS | A | 0725 | CDB | 12/01/00 | 104,017.29 |
| 000424 | CDB TERMINAL ELECTRICAL IMPR | A | 0731 | CDB | 02/01/01 | 7,200.49 |
| 000425 | ANC DISPATCH/BREAKROOM | A | 0753 | ANC | 09/01/01 | 10,908.84 |
| 000426 | CDB SINGLE DUPLEX IMPROVEMENTS | A | 0776 | CDB | 04/01/02 | 38,359.06 |
| 000427 | CDB DOUBLE DUPLEX | A | 0777 | CDB | 04/01/02 | 228,637.59 |
| 000428 | CDB HANGER IMPROVEMENT | A | 0778 | CDB | 04/01/02 | 181,433.45 |
| 000429 | DLG ARMSTRONG HANGER | A | 0786 | DLG | 07/01/03 | 335,000.00 |
| 000430 | DLG TERMINAL REMODEL | A | 0787 | DLG | 07/01/03 | 73,072.63 |
| 000432 | CDB ROOF & INSULATION | A | 0789 | CDB | 08/01/03 | 53,622.67 |
| 000433 | DLG CARGO SECTION | A | 0790 | DLG | 08/01/03 | 25,542.71 |
| 000434 | DLG ROOF REPAIR | A | 0791 | DLG | 08/31/03 | 74,136.40 |
| 000436 | ANC STAT OFFICE REMODEL | A | 0817 | ANC | 09/01/04 | 12,989.00 |
| 000437 | ANC 3RD FLOOR OFFICES (3) | A | 0820 | ANC | 12/01/04 | 9,070.30 |
| 000438 | CDB HOUSING SAFETY UPGRADES | A | 0821 | CDB | 12/01/04 | 39,355.15 |
| 000439 | DLG GIFT SHOP & REMODEL | A | 0840 | DLG | 07/01/05 | 11,315.89 |
| 000440 | ANC OFFICE RMDL-3RD FLR TRAIN | A | 0882 | ANC | 07/10/07 | 10,042.00 |
| 000442 | SDP PAX TERMINAL BUILDING | A | 0958 | SDP | 03/29/11 | 782,549.48 |
| 000444 | DILLINGHAM IMPROVEMENTS | A | 0315 | DLG | 06/01/93 | 147,505.84 |
| 000445 | LOADING DOCK REPAIRS | A | 0337 | DLG | 08/01/93 | 980.00 |
| 000446 | CAGE - DUTCH CARGO | A | 0342 | DUT | 05/01/93 | 1,825.03 |
| 000448 | G2 GATE CONSTRUCTION | A | 0541 | ANC | 01/01/97 | 1,371.36 |
| 000450 | FENCING ANC HANGAR | A | 0628 | ADM | 03/01/98 | 3,880.00 |
| 000451 | ANC TRAINING OFFICES | A | 0720 | ADM | 12/01/00 | 4,329.20 |
| 000452 | ANC LIGHT POLE | A | 0728 | ADM | 02/01/01 | 3,131.12 |
| 000453 | SDP FUEL TANK FENCING | A | 0730 | SDP | 02/01/01 | 1,958.26 |
| 000454 | ANC CARGO-BYPASS INT SEC FENCE | A | 0934 | ANC | 12/22/09 | 15,572.00 |
| 000455 | SDP PAX TERMINAL LOT IMPRVMT | A | 0959 | SDP | 03/29/11 | 9,807.24 |
| 000456 | ANC MXNT LIBRARY/OFFICE 6100 | A | 0979 | ANC | 08/23/11 | 47,305.97 |
| 000457 | ANC MXNT CLEAN COMPOSITE RM | A | 0980 | ANC | 08/23/11 | 18,203.09 |
| 000458 | ANC MXNT DIRTY COMPOSITE RM | A | 0981 | ANC | 08/23/11 | 18,203.09 |
| 000459 | CDB ELECTRIC MODS FOR GPU's | A | 0987 | CDB | 10/10/11 | 9,319.00 |
| 000460 | ANC 6100 BOEING DOOR ACCESS | A | 1009 | ANC | 12/15/12 | 10,141.00 |

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| 000461 | COMPOSITE ROOM REMODEL | A | 1022 | ANC | 11/01/13 | 14,544.00 |
| 000463 | ANC FORD E350 2009 PASSENGER VAN | A | 1044 | ANC | 02/11/15 | 13,715.00 |
| 000465 | LOBBY ARTWORK | A | 0578 | ADM | 07/01/97 | 780.00 |
| 000466 | FULLY DEPRECIATED ITEMS | A | 9999 | ADM | 01/01/85 | 141,310.00 |
| 000469 | ANC FORKLIFT MISTSUBISHI FG18NQ3-LP | A | 1031 | ANC | 05/01/14 | 27,910.00 |
| 000470 | AKN IZUZU BOX TRUCK | A | 1035 | AKN | 07/01/14 | 25,543.40 |
| 000471 | ANC PENAIR MANUALS | A | 1034 | ANC | 06/01/14 | 957,779.16 |
| 000472 | ANC GPU HOBART 14G006U GPU-600 | A | 1037 | AKN | 08/13/14 | 9,059.16 |
| 000473 | ANC CHRISTIE BATTERY CHARGER/CABLE | A | 1036 | ANC | 08/13/14 | 12,345.00 |
| 000474 | ANC GPU HOBART 14G009U | A | 1038 | ANC | 09/15/14 | 8,467.28 |
| 000475 | ANC MAZDA MZ5 SW | A | 1039 | ANC | 09/15/14 | 12,887.00 |
| 000476 | JEEP LIBERTY 2012 | A | 1040 | ANC | 10/15/14 | 15,000.00 |
| 000478 | DUT Beltloader | A | 1042 | DUT | 11/01/14 | 5,705.01 |
| 000481 | ANC Navtech Dispatch System | A | 1045 | ANC | 02/10/15 | 12,418.69 |
| 000482 | ANC HOISE NANCEL MOUNTED | A | 1046 | ANC | 02/15/15 | 23,417.85 |
| 000483 | ANC PROP BALANCER | A | 1047 | ANC | 02/15/15 | 26,293.80 |
| 000484 | ANC SUPERSEDER III BATTERY CHARGER | A | 1048 | ANC | 02/15/15 | 10,290.65 |
| 000485 | ANC SAAB 340 SPARE DOWTY PROP R389/4-123-F/25 | A | 1049 | ADM | 02/01/15 | 64,385.20 |
| 000486 | SAAB 340 Spare Dowty Propeller 1303/85 | A | 1050 | ADM | 04/01/15 | 105,601.59 |
| 000487 | BOS Wasp 2008 Beltloader - 193325 | A | 1051 | BOS | 05/15/15 | 10,600.00 |
| 000488 | Wasp 2008 Beltloader | A | 1054 | BOS | 05/15/15 | 11,450.00 |
| 000490 | BOS Wasp 2008 Beltloader - 192614 | A | 1053 | BOS | 05/15/15 | 10,600.00 |
| 000491 | ANC Website Redesign | A | 1055 | ANC | 05/15/15 | 10,790.00 |
| 000492 | BOS MA-50 1997 Baggage Tug - 11202 | A | 1056 | BOS | 05/15/15 | 13,991.66 |
| 000493 | BOS MA-50 1996 Baggage Tug - 3501 | A | 1057 | BOS | 05/15/15 | 13,991.67 |
| 000494 | BOS MA-50 1989 Baggage Tug - 5883 | A | 1058 | BOS | 05/15/15 | 13,991.67 |
| 000495 | BOS MA-50 1998 Baggage Tug - 9104 | A | 1059 | BOS | 05/15/15 | 13,991.67 |
| 000496 | BOS MA-50 1995 Baggage Tug - 1083 | A | 1060 | BOS | 05/15/15 | 13,991.67 |
| 000497 | BOS 1986 Equitec B250 Pushback Tractor | A | 1061 | BOS | 05/15/15 | 50,950.00 |
| 000498 | AKN TERMINAL BUILDING | A | 1062 | AKN | 06/05/15 | 1,200,000.00 |
| 000499 | BOS JBT B250 2015 Tow Tractor | A | 1063 | BOS | 06/08/15 | 138,842.19 |
| 000500 | ANC BOROSCOPE | A | 1064 | ANC | 06/15/15 | 16,848.00 |
| 000501 | BOS AIRSTARTA BOTTLE TLD ACE 500 | A | 1065 | BOS | 06/15/15 | 25,625.00 |
| 000502 | BOS 1994 TOYOTA BAGGAGE TUG MA-50 | A | 1066 | BOS | 06/01/15 | 13,991.67 |
| 000503 | BOS 2008 WASP BELTLOADER | A | 1067 | BOS | 06/01/15 | 10,600.00 |
| 000504 | BOS Wollard Speed tug 1995 bb-06 | A | 1068 | BOS | 07/09/15 | 17,725.00 |
| 000505 | DUT 2011 Chevy Van 2500 | A | 1069 | DUT | 07/15/15 | 26,824.67 |
| 000506 | ANC Dowty Propeller | A | 1070 | ADM | 07/15/15 | 95,630.87 |
| 000507 | BOS 1988 Beltloader 660-114 Ford 300 | A | 1072 | BOS | 09/04/15 | 21,450.00 |
| 000508 | BOS 1988 Beltloader 660-114 Ford 300 | A | 1073 | BOS | 09/04/15 | 21,450.00 |
| 000509 | PDX Ford E-350 2002 Van | A | 1074 | ANC | 09/15/15 | 14,320.00 |
| 000510 | PDX Ford 2005 Escape | A | 1075 | ANC | 09/09/15 | 7,815.00 |
| 000511 | PDX AERO LC100E LAV CART | A | 1076 | ANC | 09/15/15 | 6,900.00 |
| 000512 | Fortinet Fortigate 200D Router | A | 1077 | ANC | 09/15/15 | 5,165.00 |
| 000513 | MA50 Baggage Tug | A | 1078 | ANC | 09/15/15 | 14,900.00 |
| 000514 | PDX JetGo 80AL-RJ GPU Diesel | A | 1079 | ANC | 09/15/15 | 34,950.00 |
| 000515 | PDX JetGo 800AL-RJ GPU Diesel | A | 1080 | ANC | 09/15/15 | 34,950.00 |
| 000517 | Fortinet Fortigate 200D | A | 1071 | ANC | 12/17/15 | 0.00 |
| 000519 | Tug MA50 Cargo Tractor | A | 1083 | ANC | 10/15/15 | 14,900.00 |
| 000520 | Tug MA50 Cargo Tractor | A | 1084 | ANC | 10/15/15 | 14,900.00 |

| | | | | | | | |
|--------|------------------------------------------------------|--------|---|------|-----|----------|------------|
| 000522 | ANC Jack 12-Ton SAAB 2000 | | A | 1086 | ANC | 10/15/15 | 6,397.03 |
| 000523 | ANC Jack 12Ton SAAB 2000 | | A | 1087 | ANC | 10/15/15 | 6,397.03 |
| 000524 | ANC Jack 12Ton SAAB 2000 | | A | 1088 | ANC | 10/15/15 | 6,397.04 |
| 000526 | DLG Terminal Flooring Remodel | | A | 1089 | DLG | 11/15/15 | 31,827.42 |
| 000528 | TOW TRACTOR TIGER TIG50 2002 | | A | 1091 | ANC | 12/15/15 | 13,900.00 |
| 000529 | ANC eREV REVENUE SYSTEM | | A | 1092 | ANC | 01/04/16 | 50,000.00 |
| 000530 | ANC MAS 100 ERP ACCOUNTING SYSTEM | | A | 1093 | ANC | 01/04/16 | 63,632.75 |
| 000532 | AKN TERMINAL REMODEL | | A | 1096 | AKN | 03/15/16 | 189,044.70 |
| 000533 | ANC SB STALL WARNING N364XJ | | A | 1097 | ADM | 03/15/16 | 40,767.39 |
| 000539 | ANC SB STALL WARNING N403XJ | | A | 1103 | ADM | 03/15/16 | 41,588.65 |
| 000540 | ANC SB STALL WARNING N404XJ | | A | 1104 | ADM | 03/15/16 | 40,340.85 |
| 000542 | ANC SB STALL WARNING N410XJ | | A | 1106 | ADM | 03/15/16 | 44,520.76 |
| 000544 | ANC SB STALL WARNING N665PA | | A | 1108 | ADM | 03/10/16 | 44,879.84 |
| 000545 | ANC SB STALL WARNING N675PA | | A | 1109 | ADM | 03/15/16 | 23,410.19 |
| 000549 | PDX JETGO DIESEL GPU | | A | 1113 | ANC | 05/15/16 | 34,921.80 |
| 000550 | EAGLE TT-5 PUSHBACK TRACTOR | | A | 1114 | ANC | 05/15/16 | 27,595.00 |
| 000551 | ACV POWER KING GPU ELECTRIC | | A | 1115 | ANC | 05/15/16 | 8,354.78 |
| 000552 | ANC JETGO GPU DIESEL | | A | 1116 | ANC | 05/15/16 | 36,521.80 |
| 000553 | PDX 2015 NISSAN CREW VAN | | A | 1117 | ANC | 05/15/16 | 16,409.00 |
| 000554 | AKN 2004 FORD FREESTAR VAN | | A | 1118 | AKN | 05/15/16 | 11,006.84 |
| 000556 | ANC PUSHBACK TRACTOR EAGLE TT4-8D 1999 PBT-05 | | A | 1119 | ANC | 07/15/16 | 36,055.00 |
| 000557 | BOS TUG HARLAN HTAG-30 1998 | | A | 1123 | BOS | 07/15/16 | 15,000.00 |
| 000558 | BOS TUG HARLAN HTAG-30 1998 | | A | 1124 | BOS | 07/15/16 | 15,000.00 |
| 000559 | ANC BIZNET 2016 | | A | 1125 | ADM | 07/15/16 | 6,985.00 |
| 000560 | BOS LAV CART 2016 | | A | 1126 | BOS | 07/15/16 | 12,843.28 |
| 000561 | ANC COMPRESSOR WASHER 20160 | | A | 1127 | ANC | 07/05/16 | 13,949.00 |
| 000564 | DEN GPU JETGO 800AL-RJ2016 | | A | 1130 | BOS | 09/15/16 | 34,142.50 |
| 000566 | LAV CART LC100E 2016 | | A | 1132 | ANC | 09/15/16 | 6,561.05 |
| 000567 | DEN BELT LOADER 1989 NORDCO 4009 | | A | 1133 | BOS | 09/15/16 | 15,380.00 |
| 000568 | FORD E350 STEP VAN 2006 VA-16 | | A | 1134 | BOS | 09/15/16 | 27,268.50 |
| 000572 | DEN BELT LOADER FORD 300 1992 | BL-45 | A | 1138 | BOS | 09/01/16 | 29,930.00 |
| 000575 | ANC GPU MX POWER KING 2016 | GPU-39 | A | 1141 | ANC | 09/01/16 | 9,521.77 |
| 000576 | BAGGAGE TUG-135 ELECTRIC TUG-54 | | A | 1142 | ANC | 09/15/16 | 31,280.00 |
| 000577 | FTG BARFIELD AIR DATA TEST SET | | A | 1143 | ANC | 09/15/16 | 15,745.00 |
| 000578 | UAO HOTTY PRESSURE WASHER | | A | 1144 | ANC | 09/15/16 | 6,199.60 |
| 000579 | EAR BELT LOADER WASP | BL-39 | A | 1145 | BOS | 10/15/16 | 16,820.00 |
| 000580 | GPU JETGO 800AL-RJ GPU-46 | | A | 1146 | ANC | 10/15/16 | 34,142.50 |
| 000582 | DEN BEL LOADER NORDCO 4096D ISUZU DIESEL 1989 | BL-41 | A | 1148 | BOS | 10/15/16 | 30,270.00 |
| 000583 | LMT LAV CART | LAV-10 | A | 1149 | ANC | 10/15/16 | 6,561.05 |
| 000584 | LMT BELT LOADER WASP A017715D 2000 | BL-40 | A | 1150 | BOS | 10/15/16 | 17,480.00 |
| 000585 | LMT BAGGAGE TUG TIG-50 | | A | 1151 | ANC | 10/15/16 | 19,055.00 |
| 000588 | EAR BAGGAGE TUG MA-50 | TUG-60 | A | 1154 | BOS | 10/15/16 | 21,500.00 |
| 000589 | GPU POWER KING 3-OHASE 28V | | A | 1155 | ANC | 10/15/16 | 9,081.27 |
| 000590 | DEN BAGGAGE TUG MA-50 FORD 2010 | TUG-61 | A | 1156 | BOS | 10/15/16 | 26,200.00 |
| 000591 | CDB FUEL TRUCK INTERNATIONAL 2002 3000 TANK | | A | 1157 | AKN | 10/15/16 | 111,650.00 |
| 000592 | ANC PROP TOOL 2000s | | A | 1158 | ADM | 11/15/16 | 40,000.00 |
| 000593 | FTG PUSH BACK TRACTOR EAGLE TT-8D 2004 (REFURBISHED) | pbt-06 | A | 1159 | ANC | 11/15/16 | 29,125.00 |
| 000594 | A/C HEATER | | A | 1160 | ANC | 11/15/16 | 22,800.00 |
| 000595 | PDX PASSENGER BOARDING RAMP | | A | 1161 | ANC | 11/01/16 | 19,150.00 |
| 000596 | TUG FORD GAS | | A | 1162 | ANC | 11/15/16 | 29,500.00 |

| | | | | | | | |
|--------|------------------------------------------------------|--------|---|------|-----|----------|------------|
| 000597 | TUG FORD GAS | | A | 1163 | ANC | 11/15/16 | 29,500.00 |
| 000598 | OXYGEN 3-BOTTLE CART | | A | 1164 | ANC | 11/15/16 | 13,236.50 |
| 000599 | LBL TUG FORD GAS | TUG-57 | A | 1165 | BOS | 11/01/16 | 23,240.00 |
| 000600 | DEN VIDEO-BOROSCOPE | | A | 1166 | ANC | 11/15/16 | 24,105.91 |
| 000601 | ANC TAMDAR UNIT N680PA | | A | 1167 | ADM | 11/15/16 | 27,900.00 |
| 000602 | ANC TAMDAR UNIT N681PA | | A | 1168 | ADM | 11/15/16 | 27,900.00 |
| 000603 | ANC TAMDAR UNIT N682PA | | A | 1169 | ADM | 11/15/16 | 27,900.00 |
| 000604 | ANC TAMDAR UNIT N686PA | | A | 1170 | ADM | 11/15/16 | 27,900.00 |
| 000605 | ANC TAMDAR UNIT N687PA | | A | 1171 | ADM | 11/15/16 | 27,900.00 |
| 000606 | AKN FUEL TRUCK 1998 INTL 3000 GALLON TANK | | A | 1172 | AKN | 11/15/16 | 99,851.64 |
| 000607 | A/C HEATER FVO-400 W/TRAILER HT-09 | | A | 1173 | ANC | 12/15/16 | 9,689.17 |
| 000608 | LMT A/C HEATER FVO-400 W/TRAILER | | A | 1174 | ANC | 12/15/16 | 9,679.17 |
| 000609 | A/C HEATER FVO-400 W/ TRAILER | | A | 1177 | ANC | 12/15/16 | 9,689.17 |
| 000610 | LMT FUEL SERVICE CART 600 GALS | | A | 1176 | ANC | 12/15/16 | 15,197.37 |
| 000611 | EAR GPU JET GO | GPU-47 | A | 1177 | BOS | 12/15/16 | 34,382.50 |
| 000612 | OXYGEN BOTTLE CART | | A | 1178 | ANC | 12/15/16 | 5,347.50 |
| 000613 | ANC MX RAMP TEST SET | | A | 1179 | ANC | 12/15/16 | 22,350.00 |
| 000614 | BOTTLE CART NITROGEN | | A | 1180 | ANC | 12/15/16 | 6,027.14 |
| 000617 | TUG CHARLATTE T-135 | TUG-55 | A | 1183 | ANC | 12/15/16 | 28,500.00 |
| 000622 | BOARDING RAMP | | A | 1188 | ANC | 01/15/17 | 22,200.00 |
| 000625 | ANC PROPELLER LIFTING TACKLE | | A | 1191 | ANC | 01/04/17 | 18,881.32 |
| 000626 | ANC COBRA PROP BALANCING KIT | | A | 1192 | ANC | 02/01/17 | 7,133.00 |
| 000627 | ANC COBRA PROP BALANCING KIT | | A | 1193 | ANC | 02/01/17 | 8,318.00 |
| 000628 | ANC SAAB 2000 NAV TESTING EQUIP IFR 6000 | | A | 1194 | ADM | 02/01/17 | 17,595.00 |
| 000629 | ANC BOROSCOPE VIDEO PROBE | | A | 1195 | ANC | 02/01/17 | 24,147.00 |
| 000630 | FTG PRESSURE WASHER | | A | 1196 | ANC | 02/01/17 | 7,110.60 |
| 000631 | BOS VX BELTLOADER WOLLARD TC 8661 | BL-44 | A | 1197 | BOS | 02/15/17 | 24,950.00 |
| 000632 | BOS VX BELTLOADER TLD 4269-2522 | BL-43 | A | 1198 | BOS | 02/15/17 | 24,950.00 |
| 000633 | BOS VX TUG EQUITECH MA-30 | TUG-66 | A | 1199 | BOS | 02/15/17 | 17,400.00 |
| 000635 | BOS VX TUG EQUITECH MA-30 | TUG-65 | A | 1200 | BOS | 02/15/17 | 17,400.00 |
| 000636 | BOS VX TUG NMC 100 1997 | TUG 67 | A | 1201 | BOS | 02/15/17 | 17,400.00 |
| 000637 | BOS VX TUG NMC 100 | TUG 64 | A | 1202 | BOS | 02/15/17 | 17,400.00 |
| 000638 | BOS VX TOWBAR | | A | 1203 | BOS | 02/15/17 | 5,000.00 |
| 000639 | BOS VX TOWBAR | | A | 1204 | BOS | 02/15/17 | 5,000.00 |
| 000640 | PDX GPU JETGO 800al-RJ DIESEL | | A | 1205 | ANC | 02/15/17 | 33,852.50 |
| 000641 | BOS VX 2014 PUSHBACK TRACTOR T1200 | | A | 1206 | BOS | 02/01/17 | 97,095.00 |
| 000642 | ANC WIRING CONNECTIVITY TOOL KIT | | A | 1207 | ANC | 02/01/17 | 15,099.00 |
| 000644 | ANC SERVER UPGRADE | | A | 1208 | ADM | 04/15/17 | 147,929.94 |
| 000645 | BOS PASSENGER STAIRS | | A | 1209 | BOS | 04/15/17 | 43,620.00 |
| 000646 | BOS TRAINING FACILITY REWIRE | | A | 1210 | BOS | 04/14/17 | 20,842.06 |
| 000647 | ANC SAAB 2000 FLIGHTLINK DATA SYSTEM ENGINEERING | | A | 1211 | ANC | 04/15/17 | 85,000.00 |
| 000648 | CHARGING STATION | | A | 1213 | ANC | 05/01/17 | 7,266.70 |
| 000650 | CHARGING STATION | | A | 1212 | ANC | 05/01/17 | 7,266.70 |
| 000651 | PBG FORKLIFT & MANBASKET | | A | 1214 | ANC | 05/15/17 | 5,630.00 |
| 000652 | PHONE SYSTEM | | A | 1217 | AKN | 06/15/17 | 5,344.03 |
| 000653 | BOS GPU 2015 TLD 409 E CUP 90 KVA FOR AS/VX CONTRACT | | A | 1218 | BOS | 09/21/17 | 43,200.00 |
| 000654 | CAT FORKLIFT Gc40ks1 | | A | 1219 | ANC | 05/12/17 | 11,500.00 |
| 000655 | BELTLOADER WASP A204477D | BL-46 | A | 1220 | ANC | 05/23/17 | 12,490.00 |
| 000656 | LOAD BANK LB-02 | | A | 1221 | BOS | 05/23/17 | 5,077.95 |
| 000657 | LOAD BANK LB-03 | | A | 1222 | ANC | 06/05/17 | 5,085.71 |

| | | | | | | |
|--------|-----------------------------------------------------|---|------|-----|----------|--------------|
| 000658 | ANC CORPORATE OFFICE REMODEL | A | 1223 | ANC | 12/31/11 | 43,841.00 |
| 000659 | CDB WINDOW UPGRADE - HOUSING | A | 1224 | CDB | 06/30/17 | 17,322.77 |
| 000660 | DLG EXTERIOR LIGHT UPGRADE | A | 1225 | DLG | 11/01/17 | 5,127.50 |
| 000661 | AKN EXTERIOR FRONT DOOR UPGRADE - LOBBY | A | 1226 | AKN | 03/01/18 | 18,870.10 |
| 000662 | SDP EXTERIOR TERMINAL DOOR UPGRADE | A | 1227 | SDP | 03/01/18 | 6,209.56 |
| 000663 | KST PRINTERS | A | 1228 | ANC | 03/31/18 | 16,783.50 |
| 000664 | ANC CORP OFFICE REMODEL | A | 1229 | ANC | 03/31/18 | 64,168.07 |
| 000665 | AIR START STEWART & STEVENSON MODEL TMAC-170 AST-02 | A | 1230 | BOS | 07/24/18 | 58,800.00 |
| 000666 | Saab N462PA s/n 2000 046 | A | 1231 | ANC | 07/01/18 | 3,075,335.25 |

17,989,712.83

| | | | | | | |
|--------|-------------------------------------|---|------|-----|----------|-----------|
| 000042 | SAAB N679PA COCKPIT VOICE RCDR | D | 0876 | ADM | 03/01/07 | 23,084.60 |
| 000043 | SAAB N365PX FLIGHT DATA RCRDR | D | 0895 | ADM | 08/30/07 | 25,108.75 |
| 000044 | SAAB N365PX COCKPIT VOICE RCDR | D | 0896 | ADM | 08/30/07 | 30,121.75 |
| 000045 | SAAB N365PX GPS KLN-900 | D | 0897 | ADM | 09/27/07 | 5,920.00 |
| 000046 | SAAB N679PA FLIGHT DATA RCRDR | D | 0903 | ADM | 04/01/08 | 30,112.92 |
| 000047 | SAAB N365PX GRAVEL KIT | D | 0904 | ADM | 04/01/08 | 60,300.00 |
| 000055 | SAAB N685PA SVC BLTN LIFE EXT | D | 0954 | ADM | 03/23/11 | 25,000.00 |
| 000056 | SAAB N406XJ ADF RECVR+INSTALL | D | 0989 | BOS | 05/12/12 | 17,658.17 |
| 000057 | SAAB N369PX FUEL MOD SFAR88 | D | 1004 | BOS | 07/01/12 | 38,178.19 |
| 000058 | SAAB N424XJ GPS/SATCOM+INSTALL | D | 1006 | ADM | 09/05/12 | 69,910.78 |
| 000059 | SAAB N365PX SVC BLTN LIFE EXT | D | 1010 | ADM | 12/28/12 | 25,000.00 |
| 000061 | SAAB N424XJ FUEL MOD+INSTALL | D | 1015 | ADM | 05/20/13 | 26,772.01 |
| 000173 | BHB HOBART GPU #1 | D | 0992 | BHB | 05/24/12 | 6,000.00 |
| 000175 | PQI GSE BAGGAGE TRCTR TUG-09 | D | 0994 | PQI | 06/11/12 | 5,500.00 |
| 000176 | PQI GSE HOBART GPU-21 | D | 0995 | PQI | 06/11/12 | 6,000.00 |
| 000177 | PQI GSE HOBART GPU-22 | D | 0996 | PQI | 06/11/12 | 6,000.00 |
| 000179 | PBG GSE HOBART GPU-19 | D | 0998 | PBG | 06/11/12 | 6,000.00 |
| 000180 | PBG GSE HOBART GPU-20 | D | 0999 | PBG | 06/11/12 | 6,000.00 |
| 000208 | SHOP EQUIPMENT | D | 0084 | PBG | 07/27/87 | 13,000.00 |
| 000479 | BOS GPS INSTALL N369PX | D | 1043 | BOS | 11/10/14 | 23,946.66 |
| 000521 | GPU Power King Electric 3 Phase 28V | D | 1085 | PBG | 10/15/15 | 8,688.00 |
| 000537 | ANC SB STALL WARNING N365PX | D | 1101 | ADM | 03/15/16 | 40,710.30 |
| 000538 | ANC SB STALL WARNING N369PX | D | 1102 | ADM | 03/15/16 | 45,067.29 |
| 000541 | ANC SB STALL WARNING N406XJ | D | 1105 | ADM | 03/15/16 | 47,061.23 |
| 000543 | ANC SB STALL WARNING N424XJ | D | 1107 | ADM | 03/15/16 | 44,355.84 |
| 000547 | ANC SB STALL WARNING N679PA | D | 1111 | ADM | 03/15/16 | 44,901.49 |
| 000548 | ANC SB STALL WARNING N685PA | D | 1112 | ADM | 03/15/16 | 44,106.60 |
| 000569 | DEN HONDA CRV 2008 | D | 1135 | BOS | 09/15/16 | 14,374.06 |
| 000623 | BOS Flight Recorder N365 | D | 1189 | BOS | 01/15/17 | 14,184.00 |

Schedule 2.3(c)

ASSUMED ENVIRONMENTAL LIABILITIES

1. Alaska Department of Environmental Conservation ("ADEC") approved closure of ADEC Spill No. 16269920101 Stained Soil, King Salmon, Alaska.
2. Leak from fuel cabinet between terminal building and the hangar at Cold Bay, Alaska.
3. AvGas leak from a fuel truck in approximately 1992 in the PenAir Terminal and Hangar Building ("Building") at Dillingham, Alaska.

Schedule 2.4(l)

SPECIFIC LIABILITIES TO BE EXCLUDED

Any liabilities and obligations arising from or associated with the operation of the Business at the following locations:

Within Alaska

Aniak, Alaska
McGrath, Alaska
St. George, Alaska
Unalakleet, Alaska

Outside Alaska

Bar Harbor, Maine
Crescent City, California
Eureka/Arcata, California
Redding, California
Denver, Colorado
Dodge City, Kansas
Liberal/Guymon, Kansas
Kearney, Nebraska
North Platte, Nebraska
Plattsburgh, New York
Klamath Falls, Oregon
North Bend, Oregon
Portland, Oregon
Presque Isle, Maine
Scottsbluff, Nebraska

Schedule 2.5(a)

CONTRACTS

See separate Schedule 2.5(a), attached.

Pentecosta Airways, Inc.
 dba PenAir
 Case # 17-00282
 Executory Leases Contracts

| | Location | Type | Contract | Vendor/Lessor | Expiration Date | Address | Monthly Cost | Post-Petition Cure Amount (8/6/17 - 8/24/18) | Pre-Petition Cure Amount |
|----|----------|------------|--------------------------------------------------------------------------------|--------------------|---------------------------------------------|-----------------------------------------------------|-------------------|----------------------------------------------|--------------------------|
| 15 | 682PA | Aircraft | 682PA Saab 2000 Aircraft Lease Agreement, Amendment 1 | Jetstream Aviation | 2/28/2022 | 2601 S BAYSHORE DRIVE, SUITE 630, MIAMI, FL 33133 | | | |
| 16 | 681PA | Aircraft | 682PA Saab 2000 Aircraft Lease Agreement, Amendment 2 & Court Approval 11/2017 | Jetstream Aviation | 126 months total from 9/1/17 680,681,682 | | \$ 50,000.00 | \$ - | \$ - |
| 17 | 686PA | Aircraft | 686PA Saab 2000 Aircraft Lease Agreement 11/2015 | Jetstream Aviation | 11/1/2021 | 2601 S BAYSHORE DRIVE, SUITE 630, MIAMI, FL 33133 | | | |
| 18 | 686PA | Aircraft | 686PA Saab 2000 Aircraft Lease Agreement, Amendment 1 & Court Approval 11/2017 | Jetstream Aviation | 9/1/2019 | | \$550/flight hour | \$ - | \$ - |
| 19 | 687PA | Aircraft | 687PA Saab 2000 Aircraft Lease Agreement 11/2015 | Jetstream Aviation | 11/1/2021 | 2601 S BAYSHORE DRIVE, SUITE 630, MIAMI, FL 33133 | | | |
| 20 | 687PA | Aircraft | 687PA Saab 2000 Aircraft Lease Agreement, Amendment 1 & Court Approval 11/2017 | Jetstream Aviation | 9/1/2019 | | \$550/flight hour | \$ - | \$ - |
| 21 | N365PX | Aircraft | 365PX Saab 340 Aircraft Lease Agreement | Turbo Lease | 8/31/2020 | 20 FERN AVENUE, LITCHFIELD, CT 06759 | \$ 27,000.00 | \$ 81,000.00 | \$ 33,750.00 |
| 22 | N369PX | Aircraft | 369PX Saab 340 Aircraft Lease Agreement | Turbo Lease | 6/30/2021 | 20 FERN AVENUE, LITCHFIELD, CT 06759 | \$ 27,000.00 | \$ 108,000.00 | \$ 34,250.00 |
| 23 | N685PA | Aircraft | 685PA Saab 340 Aircraft Lease Agreement | Turbo Lease | 4/30/2020 | 20 FERN AVENUE, LITCHFIELD, CT 06759 | \$ 27,000.00 | \$ 112,000.00 | \$ 33,750.00 |
| 24 | N665PA | Aircraft | 665PA Saab 340 Aircraft Lease Agreement | Turbo Lease | 10/1/2021 | 20 FERN AVENUE, LITCHFIELD, CT 06759 | \$ 27,000.00 | \$ 108,000.00 | \$ 40,000.00 |
| 25 | N679PA | Aircraft | 679PA Saab 340 Aircraft Lease Agreement | Turbo Lease | 10/1/2021 | 20 FERN AVENUE, LITCHFIELD, CT 06759 | \$300/flight hour | \$ - | \$ - |
| 26 | N424XJ | Aircraft | 424XJ Saab 340 Aircraft Lease Agreement | Turbo Lease | 10/1/2021 | 20 FERN AVENUE, LITCHFIELD, CT 06759 | \$300/flight hour | \$ - | \$ - |
| 27 | 675PA | Aircraft | 675PA Saab 340 Aircraft Lease Agreement, 4/2007 | GSST | N/A | 2270 KNOLL CIRCLE, ANCHORAGE, AK 99501 | \$ 30,000.00 | \$ 270,000.00 | \$ 854,070.11 |
| 28 | ANC | Facilities | PENAIR REALTY | PenAir Realty | | | \$ 43,466.93 | \$ 173,867.72 | \$ 595,447.73 |
| 29 | AKN | Facilities | AKN Land Lease Agreement ADA-50736 SUPPLEMENT NO 1 | State of Alaska | | PO BOX 196900, ANCHORAGE, AK 99519 | \$ 833.03 | \$ - | \$ - |
| 30 | AKN | Facilities | AKN Land Lease Agreement ADA-50736.pdf | State of Alaska | 5/21/2070 | PO BOX 112505, JUNEAU, AK 99811-2505 | \$ - | \$ - | \$ - |
| 31 | AKN | Facilities | AKN Sublease ARNIC ADA-04250.pdf | State of Alaska | 10/31/2020 | 2551 RIVA ROAD, MS 5-1B35, ANNAPOLIS, MD 21401-7435 | \$ 100.00 | \$ - | \$ - |

Peninsula Airways, Inc.
 dba PenAir
 Case #: 17-00282

Executory Leases Contracts

| | Location | Type | Contract | Vendor/Lessor | Expiration Date | Address | Monthly Cost | Post-Petition Cure Amount (8/6/17 - 8/24/18) | Pre-Petition Cure Amount |
|----|-----------|------------|---------------------------------------------------------------------------------------------|------------------------------|-----------------|---------------------------------------------------------|--------------|----------------------------------------------|--------------------------|
| 32 | AKN | Facilities | AKN Sublease TSA Lease Amendment 4.GS-10B-06857.pdf | State of Alaska | 7/01/2020 | | | | |
| 33 | AKN | Facilities | Frosty Fuels Deed of Trust.pdf | PenAir | N/A | 4000 OLD SEWARD HIGHWAY, SUITE 301, ANCHORAGE, AK 99503 | \$ - | \$ - | \$ - |
| 34 | AKN | Facilities | King Salmon, Lot 2B, Block 1 | AKN Leasing | 5/1/2025 | PO BOX 777, KING SALMON, AK 99613 | \$ 10,637.00 | \$ 21,274.00 | \$ - |
| 35 | ANC | Facilities | ANC Development Agreement for the Ramp Project, ADA-30562, Plus Exhibit C and D.pdf | State of Alaska | 2/6/2034 | PO BOX 196900, ANCHORAGE, AK 99519 | | | |
| 36 | ANC | Facilities | ANC Land Lease Agreement ADA-30562.pdf | State of Alaska | 2/6/2034 | PO BOX 190204, ANCHORAGE, AK 99519-0204 | | | |
| 37 | ANC | Facilities | ANC Property Lease Agreement Block 27, Lot 5B AIA.pdf | State of Alaska | 12/31/2020 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ 48,103.29 | \$ 48,103.29 | \$ - |
| 38 | ANC | Facilities | ANC Operating Agreement and Passenger Terminal Lease Supplement NO. 1 ADA-31883.pdf | State of Alaska | 6/30/2023 | PO BOX 196900, ANCHORAGE, AK 99519 | | | |
| 39 | ANC / FAI | Facilities | ANC Operating Agreement and Passenger Terminal Lease ADA-31883.pdf | State of Alaska | 6/30/2023 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ - | \$ - | \$ - |
| 40 | ANC / FAI | Facilities | ANC Operating Agreement and Passenger Terminal Lease Master Supplement NO. 2 ADA-31883.pdf | State of Alaska | 6/30/2023 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ 45,000.00 | \$ 70,928.61 | \$ 1,410,306.93 |
| 41 | ANC / FAI | Facilities | ANC Operating Agreement and Passenger Terminal Lease, ADA-31833, Master Supplement NO.1.pdf | State of Alaska | 6/30/2023 | PO BOX 196900, ANCHORAGE, AK 99519 | | | |
| 42 | BOS | Facilities | BOS Alaska Air Space Use Agreement at Boston-Logan Airport, AS Contract No. 15-121.pdf | Massachusetts Port Authority | N/A | PO BOX 68900, SEATTLE, WA 98168-0900 | \$ 2,684.90 | \$ 5,369.80 | \$ - |
| 43 | BOS | Facilities | BOS Sublease WestJet Encore Ltd. Terminal A, 3-2016.pdf | Massachusetts Port Authority | N/A | 22 AERIAL PLACE NE, CALGARY, ALBERTA T2E 3J1 | \$ 9,253.08 | | |

Peninsula Airways, Inc.
 dba PenAir
 Case # 17-00282

Executory Leases Contracts

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|----|----------|------------|----------------------------------------------------------------------------|------------------------------|-----------------|--------------------------------------------------------------|--------------|----------------------------------------------|--------------------------|
| 44 | BOS | Facilities | BOS Sublease WestJet Encore LTD-Consent to Sublease Terminal A, 3-2016.pdf | Massachusetts Port Authority | N/A | 22 AERIAL PLACE NE, CALGARY, ALBERTA T2E 3J1 | \$ - | \$ - | \$ - |
| 45 | BOS | Facilities | BOS Terminal Office Space Lease. 10-2016.pdf | Massachusetts Port Authority | N/A | ONE HARBORSIDE DRIVE, SUITE 200S, EAST BOSTON, MA 02128-2909 | \$ 7,903.36 | \$ - | \$ - |
| 46 | BOS | Facilities | BOS Alaska Air Space Use Agreement | Massachusetts Port Authority | MTM | PO BOX 68900, SEATTLE, WA 98168-0900 | \$ 2,659.67 | \$ - | \$ - |
| 47 | CDB | Facilities | CDB Assignment for Security Purposes ADA-08136.pdf | State of Alaska | 6/30/2033 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ - | \$ - | \$ - |
| 48 | CDB | Facilities | CDB Land Lease ADA-08136 Supplement no 1 | State of Alaska | 6/30/2033 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ 4,118.90 | \$ - | \$ - |
| 49 | CDB | Facilities | CDB Land Lease ADA-08136.pdf | State of Alaska | 6/30/2033 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ - | \$ - | \$ - |
| 50 | CDB | Facilities | Cold Bay Airport/Fuel Permit | State of Alaska | 8/1/2023 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ 220.00 | \$ - | \$ - |
| 51 | DLG | Facilities | DLG Land Lease Agreement ADA-08841.pdf | State of Alaska | 05/31/2017 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ 3,819.00 | \$ - | \$ - |
| 52 | DLG | Facilities | DLG TSA Lease GS-10B-06915.pdf | PenAir | 11/30/2017 | | | | |
| 53 | DUT | Facilities | DUT Sublease Tom Madsen Airport Terminal Agreement 2016.pdf | State of Alaska | 12/31/2020 | PO BOX 610, UNALASKA, AK 99685 | \$ 15,492.76 | \$ - | \$ - |
| 54 | SDP | Facilities | SDP Airport Lease Lot, supplement 1 & 2 | State of Alaska | 9/11/2052 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ 3,280.00 | \$ - | \$ - |
| 55 | ANC | Facilities | Sublease Alaska Cargoport | State of Alaska | 11/30/2022 | 3501 MABIR ROAD, AUSTIN, TX 78723 | \$ - | \$ - | \$ - |
| 56 | ANC | Facilities | Sublease Alaska Cargoport AMENDMENTS 1-3 | State of Alaska | 11/30/2022 | 3501 MABIR ROAD, AUSTIN, TX 78723 | \$ 11,217.13 | \$ - | \$ 99,399.60 |
| 57 | DLG | Facilities | Choggiung Investment Corp. Apartment Rental Agreement, 5-2017.pdf | Choggiung Investment Corp. | N/A | 104 MAIN STREET, DILLINGHAM, AK 99576 | \$ - | \$ - | \$ - |
| 58 | Elkhart | Facilities | SLM Management LLC | Enterprise Holding LLC | MTM | 1441 CR 6 W., ELKHART, IN 46514 | \$ 1,000.00 | \$ - | \$ - |
| 59 | SNP | Facilities | Terminal Building Rent / AOA space | TDX | | | \$ 1,334.26 | \$ - | \$ - |
| 60 | DUT | Facilities | Employee housing DUT | Strawberry Hill | MTM | 431 WEST 7TH AVE, ANCHORAGE, AK 99501 | \$ 2,116.65 | \$ - | \$ - |
| 61 | DLG | Facilities | DLG Land Lease Agreement ADA-08841 SUPPLEMENT NO 1 | State of Alaska | 5/31/2022 | PO BOX 196900, ANCHORAGE, AK 99519 | | \$ - | \$ - |

Peninsula Airways, Inc.
 dba PenAir
 Case # 17-00282

Executory Leases Contracts

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|----|----------|------------|---------------------------------------------------------------|-------------------------|-----------------|--------------------------------------------------------------|--------------|----------------------------------------------|--------------------------|
| 62 | DLG | Facilities | BEAR PAW INN | BEAR PAW INN | | PO BOX 1295, DILLINGHAM, AK 99576 | \$ - | \$ - | \$ - |
| 63 | BOS | Facilities | MASS PORT | MASS PORT | | ONE HARBORSIDE DRIVE, SUITE 200S, EAST BOSTON, MA 02128-2909 | \$ 8,203.96 | \$ 7,272.96 | \$ 99,424.93 |
| 64 | MCG | Facilities | MCG MCGRATH TURNAROUND SERVICES TERMINAL AGREEMENT | MCG Turnaround Services | N/A | 2130 E. DIAMOND BLVD., ANCHORAGE, AK 99507 | \$ 9,200.00 | \$ - | \$ - |
| 65 | ANC | Equipment | GE Capital Mitsubishi Forklift | Wells Fargo | 4/1/2018 | PO BOX 30310, LOS ANGELES, CA 90030-0310 | \$ - | \$ 4,539.38 | \$ - |
| 66 | AKN | Equipment | AKN Fuel Dispensing Permit ADA-08956.pdf | State of Alaska | 06/30/2018 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ - | \$ - | \$ - |
| 67 | DUT | Equipment | DUT Supplement NO.1 to Fuel Dispensing Permit, ADA-08675.pdf | State of Alaska | 7/31/2019 | PO BOX 196900, ANCHORAGE, AK 99519 | \$ - | \$ - | \$ - |
| 68 | ANC | Equipment | ANC DAL Global Services Ground Handling Agreement.pdf | DAL Global Services | N/A | 980 VIRGINIA AVENUE, 4TH FLOOR, ATLANTA, GA 30354 | \$ 13,000.00 | \$ - | \$ - |
| 69 | ANC | Equipment | ANC Notice for Intent for Storm Water Discharge.pdf | Shannon and Wilson | 3/1/2020 | 5430 FAIRBANKS STREET, SUITE 3, ANCHORAGE, AK 99518 | \$ - | \$ - | \$ 1,801.30 |
| 70 | ANC | Equipment | FEAM GSE & Deicing Agreement, 1-2017.pdf | FEAM | N/A | 657 SOUTH DRIVE, SUITE 306, MIAMI SPRINGS, FL 33166 | \$ 30,000.00 | \$ 27,058.07 | \$ 133,597.75 |
| 71 | MCG | Equipment | MCG McGrath Turnaround Services Ground Handling Agreement.pdf | MCG Turnaround Services | N/A | PO BOX 173, MCGRATH, AK 99627 | \$ 9,240.44 | \$ - | \$ - |
| 72 | STG | Equipment | STG Ground Handling Agreement.pdf | City of Saint George | N/A | PO BOX 929, ST. GEORGE, AK 99591 | \$ 3,500.00 | \$ - | \$ 4,469.05 |
| 73 | SNP | Equipment | SNP APUN Ground Handling Agreement.pdf | APUN Sealmaster | N/A | 2130 E. DIAMOND BLVD., ANCHORAGE, AK 99507 | \$ 4,500.00 | \$ - | \$ 1,436.36 |
| 74 | BOS | Equipment | Ground Service Equipment | Somerset | 6/1/2019 | 612 WHEELERS FARMS ROAD, MILFORD, CT 06461 | \$ 10,267.78 | \$ - | \$ - |
| 75 | ANC | Equipment | GSE Equipment, BOS contract | Alaska Airlines | N/A | 19300 PACIFIC HWY SOUTH, SEATTLE, WA 98188 | \$ 13,160.00 | \$ - | \$ - |
| 76 | ANC | IT | Flight reservation system | SABRE | | 7285 COLLECTION CENTER DRIVE, CHICAGO, IL 60693 | \$ 54,856.53 | \$ - | \$ - |

Peninsula Airways, Inc.
 dba PenAir
 Case # 17-00282

Executory Leases Contracts

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|----|----------|---------------|-------------------------------------------------------------------------------------------------------------|------------------------|-----------------|-------------------------------------------------------------------|--------------|----------------------------------------------|--------------------------|
| 77 | ANC | IT | Ticket/revenue processing | eREV | | RENE PEREZ & ASSOC INC, 1120SW 71ST AVENUE, MIAMI, FL 33156 | \$ 9,000.00 | \$ 9,000.00 | \$ - |
| 78 | ANC | IT | SkedFlex flight crew scheduling | citAviation | | 1013 E WINDING CREEK DRIVE, SUITE 102, EAGLE, ID 83616 | \$ 6,600.00 | \$ 6,615.00 | \$ - |
| 79 | ANC | IT | Navigation software | NavBlue | | 295 HAGEY BLVD., SUITE 200, WATERLOO, ON N2L 6T5 | \$ 9,040.06 | \$ - | \$ 1,611.49 |
| 80 | ANC | IT | Revenue Mgmt & Statistics software | REVENUE MANAGEMENT | | 2003 WESTERN AVENUE, SUITE 700, SEATTLE, WA 98121 | \$ 8,860.75 | \$ 49,982.25 | \$ 37,714.00 |
| 81 | ANC | IT | Accounting Software | SAGE | 1/31/2019 | 14855 COLLECTIONS CENTER DRIVE, CHICAGO, IL 60693 | \$ 750.81 | \$ - | \$ - |
| 82 | ANC | IT | Office/Admin Software | JAMF SOFTWARE, LLC | | PO BOX 1450, MINNEAPOLIS, MN 55485 | \$ 370.00 | \$ - | \$ - |
| 83 | ANC | IT | Database Software | Filemaker | 9/5/2018 | | \$ 254.75 | \$ 254.75 | \$ - |
| 84 | ANC | Admin/Finance | Payroll & HR Software/Processing fees | ISOLVED | n/a | PO BOX 889 COLDWATER, MI 49036-0889 | \$ 6,200.00 | \$ - | \$ - |
| 85 | ANC | Admin/Finance | copiers serial # KZZ00776, JWH06872, HRM01053, HRM01177, DPZ02657, FRU42006, THF02135, MPC98896 | Marlin | n/a | 300 FELLOWSHIP ROAD, MOUNT LAUREL, NJ 08054 | \$ 699.00 | \$ - | \$ - |
| 86 | ANC | Admin/Finance | copiers serial # XVM3402403, LA84900713MAC | Royal Business Systems | 12/31/2018 | 927 WEST FIREWEED LANE, SUITE 1, ANCHORAGE, AK 99503 | \$ 346.50 | \$ - | \$ 162.59 |
| 87 | ANC | Admin/Finance | ipads | Wells Fargo | | 1010 THOMAS EDISON BLVD., SW, CEDAR RAPIDS, IA 52404 | \$ 596.10 | \$ 21,117.66 | \$ 2,861.34 |
| 88 | ANC | Admin/Finance | Firewall/servers | Cisco | | 1111 OLD EAGLE SCHOOL ROAD, WAYNE, PA 19087 | \$ 1,853.13 | \$ - | \$ 1,853.13 |
| 89 | ANC | Admin/Finance | Healthcare Plan | PBS | | | \$ 55,000.00 | \$ 745,074.51 | \$ - |
| 90 | ANC | Admin/Finance | Insurance | Marsh USA Inc. | 12/1/2018 | PO BOX 846015, DALLAS, TX 75284-6015 | \$ 69,641.00 | \$ 25,000.00 | \$ 75,000.00 |
| 91 | ANC | Admin/Finance | 401k Plan, plan rates vary by EE count & plan | PBS/John Hancock | | 1193 ROYVONNE AVE SE 22, SALEM OR 97302 | \$ 1,251.25 | \$ - | \$ - |

Peninsula Airways, Inc.
 dba PenAir
 Case # 17-00282
 Executory Leases Contracts

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|-----|----------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-----------------|-----------------------------------------------------------------|--------------|----------------------------------------------|--------------------------|
| 92 | ANC | Admin/Finance | Flex Spending Accounts | PBS | | 1193 ROYVONNE AVE SE 22, SALEM OR 97302 | | \$ - | \$ - |
| 93 | ANC | Admin/Finance | CARE Program | EMPATHIA | | N17 W24100 RIVERWOOD DRIVE, SUITE 300, WAUKESHA, WI 53188 | \$ - | \$ - | \$ - |
| 94 | ANC | Admin/Finance | Radio | ARINC | | 2551 RIVA ROAD, ANNAPOLIS, MD 21401 | \$ 2,548.23 | \$ - | \$ 6,501.22 |
| 95 | ANC | Admin/Finance | | LATA | | PO BOX 113, MONTREAL, QUEBEC, CANADA H4Z 1M1 | \$ - | \$ - | \$ - |
| 96 | ANC | Admin/Finance | | WSI CORP | | 400 MINUTEMAN ROAD, ANDOVER, MA 01810 | \$ 1,597.00 | \$ - | \$ 3,695.00 |
| 97 | ANC | Admin/Finance | Travel Benefits | ID90 | | 520 S. MAIN STREET, SUITE 300, GRAPEVINE, TX 76051 | \$ 3,700.00 | \$ - | \$ 40,759.00 |
| 98 | ANC | Admin/Finance | My ID Travel | LUFTHANA SYSTEMS | n/a | AM WEIHER 24, D-65451 KELSTERBACK, GERMANY | \$ 65.00 | \$ - | \$ - |
| 99 | ANC | Admin/Finance | Saab 2000 Training | CAE AVIATION TRAINING | 7/31/2018 | DIAMANTHLAAN 3, 2132 WV HOOFDDORP, THE NETHERLANDS | \$ - | \$ - | \$ - |
| 100 | ANC | Admin/Finance | | PAN AM TRAINING | | PO BOX 660920, MIAMI FL, 33266-0920 | \$ - | \$ (2,240.00) | \$ 97,215.00 |
| 101 | ANC | Admin/Finance | Human Resources Services | CONNECTHR | n/a | 3000 A STREET, SUITE 400, ANCHORAGE, AK 99503 | \$ 3,750.00 | \$ - | \$ - |
| 102 | ANC | Admin/Finance | Human Resources Software | BEACON INSIGHT | | 800 CORDOVA STREET, ANCHORAGE, AK 99501 | \$ 208.33 | \$ - | \$ 2,500.00 |
| 103 | ANC | Admin/Finance | BOND | PERMAN STOLER | | PO BOX 190066, ANCHORAGE, AK 99519 | \$ 62.50 | \$ - | \$ - |
| 104 | ANC | Admin/Finance | Airline Clearing House Processing Agreement | Airline Clearing House | n/a | 1275 Pennsylvania Ave NW, Washington, DC 20004 | \$ - | \$ - | \$ - |
| 105 | ANC | Admin/Finance | Credit card processing agreement | Airline Reporting Corporation | n/a | 4100 Fairfax Drive, Suite 600, Arlington, VA 22203 | \$ 28,000.00 | \$ - | \$ - |
| 106 | 680PA | Maintenance | 680PA Amended and Restated Assignment and Consent for JSSI Premium On Condition Engine Maintenance, Contract No. JSSI0035812.pdf | JSSI | 5/30/2022 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ - | \$ - | \$ - |

Peninsula Airways, Inc.
 dba PenAir
 Case # 17-00282

Executory Leases Contracts

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|-----|----------|-------------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------|----------------------------------------------------------|---------------|----------------------------------------------|--------------------------|
| 107 | 680PA | Maintenance | 680PA- Assignment and Consent for JSSI Premium On-Condition Maintenance Program, Contract No. JSSI0035812, 5-2015.pdf | JSSI | 5/20/2020 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ - | \$ - | \$ - |
| 108 | 680PA | Maintenance | 680PA- WorldWide Aircraft Services Maintenance Services and Repair Estimate for 4000hr and 4 Year Inspection.pdf | WorldWide Aircraft Services | 10/14/2021 | 2755 N GENERAL AVIATION AVENUE, SPRINGFIELD, MO 65803 | \$ 50,000.00 | \$ 52,887.75 | \$ 199,056.31 |
| 109 | 681PA | Maintenance | 681PA- Amended and Restated Assignment and Consent for JSSI Premium On-Condition Program, Contract No. JSSI0035808.pdf | JSSI | 5/30/2022 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ - | \$ - | \$ - |
| 110 | 681PA | Maintenance | 681PA- Assignment and Consent for JSSI Premium On Condition Engine Maintenance Program, Contract No. JSSI0035808, 5-2016.pdf | JSSI | 8/18/2020 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ - | \$ - | \$ - |
| 111 | 681PA | Maintenance | 681PA- Exhibit C of JSSI Premium On Condition Program, Contract No. JSSI0035808, 8-2015.pdf | JSSI | 8/18/2020 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ 127,000.00 | \$ 244,947.33 | \$ 1,428,723.91 |
| 112 | 681PA | Maintenance | 681PA- JSSI Premium On Condition Engine Maintenance Program, Contract No. JSSI0035808, 8-2015.pdf | JSSI | 8/18/2020 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ - | \$ - | \$ - |
| 113 | 682PA | Maintenance | 682PA Amended and Restated Assignment and Consent for JSSI Premium On Condition Engine Maintenance, Contract No. JSSI0035810.pdf | JSSI | 5/30/2022 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ - | \$ - | \$ - |
| 114 | 682PA | Maintenance | 682PA- Assignment and Consent for JSSI Premium On Condition Engine Maintenance Program, Contract No. JSSI0035810, 11-2015.pdf | JSSI | 4/1/2020 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ - | \$ - | \$ - |

| Location | Type | Contract | Vendor/Lessor | Expiration Date | Address | Monthly Cost | Post-Petition Cure Amount (8/6/17 - 8/24/18) | Pre-Petition Cure Amount |
|----------|-------|----------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------|----------------------------------------------------------|---------------|----------------------------------------------|--------------------------|
| 115 | 682PA | 682PA - Exhibit C of JSSI Premium On Condition Engine Maintenance Program, Contract No. JSSI0035810, 4-2013.pdf | JSSI | 5/24/2020 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ | \$ | \$ |
| 116 | 687PA | 687PA Amended and Restated Assignment and Consent for JSSI Premium On Condition Engine Maintenance, Contract No. JSSI0038234.pdf | JSSI | 5/30/2022 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ | \$ | \$ |
| 117 | 687PA | JSSI Authorization for Pre-Induction Diagnostic Survey, 8-2016.pdf | JSSI | N/A | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ | \$ | \$ |
| 118 | N/A | JSSI AE2100A Fleet Program Contract, Contract No. PAFLEET01, 5-2017.pdf | JSSI | 5/30/2022 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ | \$ | \$ |
| 119 | N/A | JSSI Premium On Condition Engine Maintenance Program, Contract No. JSSI0038234.pdf | JSSI | 8/30/2021 | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ | \$ | \$ |
| 120 | N/A | JSSI Maintenance Agreement non-ECMP | JSSI | | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ 25,000.00 | \$ 1,027,233.19 | \$ |
| 121 | N/A | GE Engine Care Maintenance Plan for CT7-9B and CT7-5A2 Engines - Agreement NO. 1-000004824.pdf | GE Engine Services | 1/31/2019 | PO BOX 641792, PITTSBURGH, PA 15264 | \$ 127,000.00 | \$ 244,947.33 | \$ 1,428,723.91 |
| 122 | N/A | GE Engine Care Maintenance Plan Amendment | GE Engine Services | | 180 N STETSON AVENUE, 29TH FLOOR, CHICAGO, IL 60601-6704 | \$ | \$ | \$ |
| 123 | N/A | AirDat TAMDAAR Agreement, 9-2006.pdf | AIRDAT | | 26200 ENTERPRISE WAY, LAKE FOREST, CA 92630 | \$ | \$ | \$ |
| 124 | N/A | Parasonic Avionics - Amendment No.1 to AIRDAT Agreement, 7-2015.pdf | Parasonic Avionics | | 26200 ENTERPRISE WAY, LAKE FOREST, CA 92630 | \$ 25,000.00 | \$ 80,000.00 | \$ |
| 125 | N/A | Aviation Inventory Resources Agreement, 5-2012 | Aviation Inventory Resources | | PO BOX 1999, MANSFIELD, TX 76063-0018 | \$ | \$ | \$ |
| 126 | N/A | Maintenance Agreement, 9-2014 | Aviation Inventory Resources | | PO BOX 1999, MANSFIELD, TX 76063-0018 | \$ | \$ | \$ |

Peninsula Airways, Inc.
dba PenAir
Case # 17-00282
Excluded Leases/Contracts

Peninsula Airways, Inc.
 dba PenAir
 Case # 17-00282
 Exemptory Leases Contracts

| | Location | Type | Contract | Vendor/Lessor | Expiration Date | Address | Monthly Cost | Post-Petition Cure Amount (8/6/17 - 8/24/18) | Pre-Petition Cure Amount |
|-----|----------|-------------|----------------------------------------------------------------------------|------------------------------|-----------------|-----------------------------------------------------------------------------|---------------|----------------------------------------------|--------------------------|
| 127 | N/A | Maintenance | Aviation Inventory Resources Rental Agreement Saab 340, 2-2016 | Aviation Inventory Resources | N/A | PO BOX 1999, MANSFIELD, TX 76063-0018 | \$ 150,000.00 | \$ (13,389.20) | \$ 1,231,247.19 |
| 128 | N/A | Maintenance | Saab Aircraft of America Rental Agreement for Propeller.pdf | Saab Aircraft of America | N/A | 20700 LOUDOUN COUNTY PARKWAY, SUITE 1000, ASHBURN, VA 20147 | \$ | \$ | \$ |
| 129 | N/A | Maintenance | Saab Defense and Security Aircraft Parts Services Agreement, Saab 2000.pdf | Saab Defense and Security | 12/31/2018 | 20700 LOUDOUN COUNTY PARKWAY, SUITE 1000, ASHBURN, VA 20147 | \$ 257,000.00 | \$ (56,390.10) | \$ 1,704,651.89 |
| 130 | N/A | Maintenance | Rolls Royce Agreement | Rolls Royce | | 450 SOUTH MERIDIAN STREET, MAIL CODE: MC-NB-03, INDIANAPOLIS, IN 46225-1103 | \$ | \$ | \$ |
| 131 | N/A | Maintenance | Rolls Royce Agreement- Amendment I | Rolls Royce | N/A | 450 SOUTH MERIDIAN STREET, MAIL CODE: MC-NB-03, INDIANAPOLIS, IN 46225-1103 | \$ 50,000.00 | \$ (87,788.29) | \$ 434,061.20 |
| 132 | N/A | Maintenance | Jetstream Maintenance Reserves | Jetstream Aviation | N/A | 450 SOUTH MERIDIAN STREET, MAIL CODE: MC-NB-03, INDIANAPOLIS, IN 46225-1103 | \$ 64,000.00 | \$ 120,033.19 | \$ 69,767.60 |

Schedule 4.3(a)

SELLER LIEN PROVISIONS

None.

Schedule 4.3(b)

BANKRUPTCY SALE ORDER

None.

Schedule 4.4

PERMITTED EXCEPTIONS

None.

Schedule 4.6

REAL PROPERTY INTERESTS

| Address | Construction | Sq. Ft. | Year Built | Description of Occupancy | Mortgage Holder |
|-----------------------------------------------------------------------------------------------|------------------------|---------|------------|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Lot 6D, Block 2, Unalaska Airport Unalaska, AK 99685 | Wood | 2,250 | 1992 | Warehouse / Freight Facility | |
| 6000 Boeing Avenue Anchorage, AK 99502-1026 | Steel | 32,893 | 2007 | Hangar | First National Bank of Alaska and AIDEA |
| 6100 Boeing Avenue Anchorage, AK 99502 | Steel | 40,200 | 1997 | Hangar / Office | FNBA; AIDEA; and Wells Fargo AIDEA |
| 6200 Boeing Ave, Suite 500 Anchorage, AK 99502-0909 | Metal | 9,663 | 1999 | Office | |
| Lot 3B, Block 3, St Louis Rd Cold Bay, AK 99571 | Steel | 8,800 | 1978 | Hangar / Office / Apartments | First National Bank of Alaska |
| Lot 3B, Block 3, St Louis Rd Cold Bay, AK 99571 | Steel | 13,500 | 1978 | Warehouse / Freight Facility | First National Bank of Alaska |
| Red Duplex Parcel 4 & 5 Cold Bay, AK 99571 | Wood | 4,000 | 1970 | Two-Family Dwelling | |
| Green Duplex Parcel 5 & 6 Cold Bay, AK 99571 | Wood | 4,000 | 1970 | Two-Family Dwelling | |
| Parcel 7 Veniamsinov Circle Cold Bay, AK 99571 | Steel | 1,800 | 1980 | One-Family Dwelling | |
| Lot 1A, Block 1, Mile 1 King Salmon AK 99613-9800 | Steel | 11,600 | 1976 | Hangar / Office / Gift Shop | |
| Lot 1A, Block 1, Mile 1 King Salmon AK 99613-9800 | Wood | 6,300 | 1990 | Hangar / Storage | |
| Lot 2B Block 1, 1 King Salmon Airport Rd., King Salmon, AK 99613 - King Salmon Airport | Wood | 15,000 | 1985 | Cargo Storage, Ticketing Terminal, Fish & Wildlife Visitor Center, Gift Shop, TSA Office | State Alaska Land Lease/Bldg value was up by UW from \$1.5M to \$2,241,947 |
| Lot 4B, Block 500 A Dillingham, AK 99576-9802 | Steel | 7,200 | 1970 | Terminal / Hangar | |
| Lot 5, Block 100 Sand Point, AK 99661-9800 | Wood w/ metal studs | 2,600 | 2011 | Terminal | |
| 1 Harborside Drive, Gates 5, 7, and 9 in Terminal B at the Airport East Boston MA 02128 | | | | Terminal B Gates 5, 7, 9 | AI - Bldg Owner Massachusetts Port Authority |
| 42 Airport Drive, Suite 201 Plattsburgh, NY 12903 | | | | ??? | AI - Bldg Owner County of Clinton |

Schedule 4.7(i)

IP, NON-LICENSEE

None.

Schedule 4.7(ii)

IP LISTING

To be provided by Seller.

Schedule 4.8

PERMITS AND LICENSES

Schedule 4.8(i)

Air Carrier Certificate of Compliance No 05-284 (State of Alaska)

Liquor License No. 5660 (State of Alaska, Alcohol and Beverage Control Board)

Others to be provided by Seller

Schedules 4.8(ii) and (iii)

To be provided by Seller

Schedule 4.9

EMPLOYEE BENEFIT PLANS; EMPLOYEES

Schedule 4.9(i)

To be provided by Seller.

Schedule 4.9(ii)

Partial list attached; to be supplemented by Seller.

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|----------------|-------|--------|----------|----------|
| CUSTOMER S MA | FT 8 | Hourly | Redacted | Redacted |
| CUSTOMER S AK | FT 10 | Hourly | Redacted | Redacted |
| CUSTOMER S MA | FT 8 | Hourly | Redacted | Redacted |
| CUSTOMER S AK | FT 10 | Hourly | Redacted | Redacted |
| CUSTOMER S AK | FT 10 | Hourly | Redacted | Redacted |
| CUSTOMER S AK | FT 10 | Hourly | Redacted | Redacted |
| CUSTOMER S AK | FT 8 | Hourly | Redacted | Redacted |
| CUSTOMER S AK | FT 8 | Salary | Redacted | Redacted |
| CUSTOMER S MA | FT 8 | Salary | Redacted | Redacted |
| CUSTOMER S AK | FT 8 | Salary | Redacted | Redacted |
| CUSTOMER S MA | FT 8 | Salary | Redacted | Redacted |
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| CUSTOMER S MA | FT 8 | Salary | Redacted | Redacted |
| CUSTOMER S AK | FT 8 | Salary | Redacted | Redacted |
| CUSTOMER S AK | FT 8 | Hourly | Redacted | Redacted |
| DIRECTOR FL AK | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR GF AK | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR HL AK | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR IN AK | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR OF AK | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR OF AK | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR PL AK | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR QI AK | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR RE MA | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR S AK | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR S AK | FT 8 | Salary | Redacted | Redacted |
| DIRECTOR SY AK | FT 8 | Salary | Redacted | Redacted |
| DISPATCHER AK | FT 10 | Hourly | Redacted | Redacted |
| DISPATCHER AK | FT 10 | Hourly | Redacted | Redacted |
| DISPATCHER AK | FT 10 | Hourly | Redacted | Redacted |
| DISPATCHER AK | FT 10 | Hourly | Redacted | Redacted |
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| DISPATCHER AK | FT 10 | Hourly | Redacted | Redacted |
| DISPATCHER AK | FT 10 | Hourly | Redacted | Redacted |
| DISPATCHER AK | PT 10 | Hourly | Redacted | Redacted |
| DOMICILE LE AK | FT 8 | Hourly | Redacted | Redacted |
| DOMICILE LE AK | FT 8 | Hourly | Redacted | Redacted |
| DOMICILE LE AK | FT 8 | Hourly | Redacted | Redacted |
| DRUG AND AIAK | FT 8 | Hourly | Redacted | Redacted |
| DUTY SUPER AK | FT 8 | Salary | Redacted | Redacted |
| DUTY SUPER MA | FT 8 | Salary | Redacted | Redacted |
| DUTY SUPER MA | FT 8 | Salary | Redacted | Redacted |
| DUTY SUPER MA | PT 8 | Salary | Redacted | Redacted |
| DUTY SUPER MA | FT 8 | Salary | Redacted | Redacted |
| DUTY SUPER AK | FT 8 | Salary | Redacted | Redacted |
| EDUCATION I AK | FT 8 | Salary | Redacted | Redacted |
| EXPEDITOR AK | PT 8 | Hourly | Redacted | Redacted |

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|-----------------|-------|--------|----------|----------|
| MAINTENANC AK | PT 8 | Hourly | Redacted | Redacted |
| MAINTENANC AK | FT 8 | Hourly | Redacted | Redacted |
| MAINTENANC AK | PT 8 | Hourly | Redacted | Redacted |
| Maintenance AK | FT 8 | Hourly | Redacted | Redacted |
| MAINTENANC AK | FT 10 | Hourly | Redacted | Redacted |
| MANAGER ADAK | FT 8 | Salary | Redacted | Redacted |
| MANAGER CA AK | FT 10 | Salary | Redacted | Redacted |
| MANAGER CO AK | FT 8 | Salary | Redacted | Redacted |
| Manager Con: AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER CR AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER CU AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER FI AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER FL AK | PT 8 | Hourly | Redacted | Redacted |
| MANAGER FL AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER GR AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER GR AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER GR AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER INI AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER IN AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER LO AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER MA AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER OP AK | FT 10 | Salary | Redacted | Redacted |
| MANAGER RE AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER SA AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER SE AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER ST AK | FT 8 | Salary | Redacted | Redacted |
| MANAGER TE AK | FT 10 | Salary | Redacted | Redacted |
| MANAGER, IN MA | FT 8 | Salary | Redacted | Redacted |
| MANAGING D AK | FT 8 | Salary | Redacted | Redacted |
| MANAGING D AK | FT 8 | Salary | Redacted | Redacted |
| NETWORK PL AK | FT 10 | Salary | Redacted | Redacted |
| OCC Manager AK | FT 10 | Salary | Redacted | Redacted |
| ON-SITE REPI AK | FT 8 | Salary | Redacted | Redacted |
| PASSENGER S MA | FT 8 | Salary | Redacted | Redacted |
| PAYROLL ASS AK | FT 8 | Hourly | Redacted | Redacted |
| PILOT RECORA K | FT 8 | Hourly | Redacted | Redacted |
| PRESIDENT AK | FT 8 | Salary | Redacted | Redacted |
| PRODUCTION AK | FT 10 | Hourly | Redacted | Redacted |
| PRODUCTION AK | FT 10 | Hourly | Redacted | Redacted |
| PRODUCTION AK | FT 10 | Hourly | Redacted | Redacted |
| PRODUCTION AK | FT 10 | Hourly | Redacted | Redacted |
| PURCHASING AK | PT 8 | Hourly | Redacted | Redacted |
| PURCHASING AK | FT 8 | Hourly | Redacted | Redacted |
| QUALITY CON AK | FT 10 | Hourly | Redacted | Redacted |
| QUALITY CON AK | FT 10 | Hourly | Redacted | Redacted |
| QUALITY CON AK | FT 10 | Hourly | Redacted | Redacted |
| RAMP AGENT AK | FT 8 | Hourly | Redacted | Redacted |
| RAMP AGENT AK | FT 8 | Hourly | Redacted | Redacted |

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| RAMP AGENT MA | PT 8 | Hourly | Redacted | Redacted |
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| RAMP AGENT AK | FT 10 | Hourly | Redacted | Redacted |
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| RAMP AGENT AK | FT 10 | Hourly | Redacted | Redacted |
| RAMP AGENT AK | FT 8 | Hourly | Redacted | Redacted |
| RAMP AGENT AK | FT 8 | Hourly | Redacted | Redacted |
| RAMP DUTY SAK | FT 10 | Salary | Redacted | Redacted |
| RAMP DUTY SAK | FT 8 | Salary | Redacted | Redacted |
| RAMP DUTY SAK | FT 8 | Salary | Redacted | Redacted |
| RAMP DUTY S MA | FT 8 | Salary | Redacted | Redacted |
| RECORDS CLIAK | FT 8 | Hourly | Redacted | Redacted |
| RECORDS LE/ AK | FT 8 | Hourly | Redacted | Redacted |
| RECYCLING T AK | PT 8 | Hourly | Redacted | Redacted |
| REGIONAL CCAK | FT 8 | Hourly | Redacted | Redacted |

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|-----------------|-------|--------|----------|----------|
| SAAB 340B P AK | FT 8 | Hourly | Redacted | Redacted |
| SAAB 340B P AK | FT 8 | Hourly | Redacted | Redacted |
| SENIOR VICE AK | FT 8 | Salary | Redacted | Redacted |
| SIM INSTRUC MA | FT 8 | Hourly | Redacted | Redacted |
| SR VP GROUN AK | FT 8 | Salary | Redacted | Redacted |
| STAFF ACCOL AK | FT 8 | Hourly | Redacted | Redacted |
| STATION AGE AK | FT 8 | Hourly | Redacted | Redacted |
| STATION AGE AK | FT 8 | Hourly | Redacted | Redacted |
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| STATION AGE AK | FT 8 | Hourly | Redacted | Redacted |
| STATION AGE AK | PT 10 | Hourly | Redacted | Redacted |
| STATION AGE AK | PT 8 | Hourly | Redacted | Redacted |
| STATION AGE AK | FT 8 | Hourly | Redacted | Redacted |
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| STATION AGE AK | FT 10 | Hourly | Redacted | Redacted |
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| STATION AGE AK | FT 8 | Hourly | Redacted | Redacted |
| STATION AGE AK | FT 8 | Hourly | Redacted | Redacted |
| STATION AGE AK | FT 10 | Hourly | Redacted | Redacted |
| STATISTICS (AK | PT 10 | Hourly | Redacted | Redacted |
| SYSTEMS ADIAK | FT 8 | Salary | Redacted | Redacted |
| TECHNICAL P AK | FT 10 | Hourly | Redacted | Redacted |
| TRAINING DE AK | FT 8 | Salary | Redacted | Redacted |
| TRAINING DE AK | FT 8 | Hourly | Redacted | Redacted |
| TRAINING SP AK | FT 8 | Salary | Redacted | Redacted |
| TRAINING SP AK | FT 8 | Salary | Redacted | Redacted |
| VICE PRESIDIAK | FT 8 | Salary | Redacted | Redacted |
| VICE PRESIDIAK | FT 8 | Salary | Redacted | Redacted |
| VP GROUND (AK | FT 8 | Salary | Redacted | Redacted |
| VP OF AIRCR/ AK | FT 8 | Salary | Redacted | Redacted |

Schedule 4.10

LABOR RELATIONS

None.

Schedule 4.11

ENVIRONMENTAL MATTERS

None.

Schedule 4.12 (i)

CURRENT INSURANCE POLICIES

To be provided by Seller.

Schedule 4.12 (ii)

CONTINUING INSURANCE POLICIES AT TIME OF CLOSURE

None.

Schedule 4.13

NO BROKER OR FINDERS

None.

Schedule 4.14

LITIGATION; PROCEEDING

None.

Schedule 4.15 (i)

COMPLIANCE WITH LAWS, EXCLUDING TAX LAWS

None.

Schedule 4.15 (ii)

**WRITTEN NOTICES OR COMMUNICATION FROM GOVERNMENT
ENTITIES**

None.

Schedule 4.16

TAXES

None.

Schedule 4.17

ACCOUNTS RECEIVABLE

To be provided by Seller.

Schedule 4.19

AIRLINE FEES AND CHARGES

None.

Schedule 4.19(e)

OWNED STATION ITEMS NOT IN GOOD REPAIR ETC.

None.

Schedule 5.4

CONSENTS AND APPROVALS

None.

Exhibit A

Bankruptcy Sale Order

See separate form of Order attached.

Exhibit B

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT is dated as of [], 2018 by and among PENINSULA AVIATION SERVICES, INC., a Delaware corporation (the “Purchaser”), and PENINSULA AIRWAYS, INC., an Alaska corporation (the “Seller”). The Seller is the “Assignor.”

WHEREAS, Assignor is party to that certain Asset Purchase Agreement (the “Purchase Agreement”), dated September 28, 2018, by and among Assignor and Purchaser. Pursuant to the Purchase Agreement, the Assignor agreed to sell, and Purchaser agreed to purchase the Acquired Assets (as such term is defined in the Purchase Agreement”) and the Purchaser agreed to assume all of the Assumed Liabilities (as such term is defined in the Purchase Agreement”).

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Capitalized Terms.** Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Purchase Agreement.
2. **Assignment and Assumption.** Effective as of the Closing, Assignor hereby assigns, sells, transfers and sets over (collectively, the “Assignment”) to Purchaser all of their right, title, benefit, privilege and interest in and to the Assumed Liabilities set forth on Schedule A hereto (if any). Purchaser hereby accepts the Assignment and assumes and agrees to observe and perform and to pay and discharge the Assumed Liabilities as applicable to Purchaser.
3. **Further Actions.** Each of the parties hereto agrees, at its own expense, to execute and deliver, at the request of the other party hereto, such further instruments of transfer and assignment and to take such other action as such other party may reasonably request to more effectively consummate the assignments and assumptions contemplated by this Assignment and Assumption Agreement.
4. **Governing Law.** The validity, interpretation, and performance of this Assignment and Assumption Agreement will be determined in accordance with the laws of the State of Delaware.
5. **Counterparts.** This Assignment and Assumption Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together shall constitute but one and the same instrument. Facsimile or electronic scan (via email) counterpart signatures to this Assignment and Assumption Agreement shall be acceptable and binding.
6. **Conflicts.** Nothing in this Assignment and Assumption Agreement, express or implied, is intended or shall be construed to expand or defeat, impair or limit in any way the representations, warranties, covenants, rights, obligations, claims or remedies of the parties as set

forth in the Purchase Agreement. Nothing in this Assignment and Assumption Agreement, express or implied, is intended or shall be construed to confer upon, or give to, any person, corporation or other entity, other than the parties to the Purchase Agreement, any rights, remedies, obligations or liabilities.

7. **Successors and Assigns.** This Assignment and Assumption Agreement inures to the benefit of and is binding upon Purchaser and Assignor and its respective successors and assigns.

8. **Headings.** The headings, subheadings, and captions in this Assignment and Assumption Agreement and in any exhibit hereto are for reference purposes only and are not intended to affect the meaning or interpretation of this Assignment and Assumption Agreement.

IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption Agreement as of the date first above written.

ASSIGNOR:

PENINSULA AIRWAYS, INC.

By: _____

Name: _____

Title: _____

PURCHASER:

PENINSULA AVIATION SERVICES, INC.

By: _____

Name: _____

Title: _____

Schedule A

Assumed Liabilities

[Attached]

Exhibit C

BILL OF SALE

THIS BILL OF SALE, dated as of [], 2018, is made by PENINSULA AIRWAYS, INC., an Alaska corporation (the “**Seller**”) in favor of PENINSULA AVIATION SERVICES, INC., a Delaware corporation (the “**Purchaser**”).

A. The Purchaser and Seller entered into the Asset Purchase Agreement (the “**Purchase Agreement**”) made as of September 28, 2018, whereby the Purchaser agreed to purchase, and Seller agreed to sell, the Acquired Assets (as defined in the Purchase Agreement);

B. The Seller wishes to execute and deliver this Bill of Sale for the purposes of transferring to and vesting in the Purchaser all of the Seller’s right, title and interest in and to the Acquired Assets.

In consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Initially capitalized terms not otherwise defined in this Bill of Sale have the meanings assigned to them in the Purchase Agreement.

2. Pursuant to the terms of the Purchase Agreement, the Seller hereby conveys, transfers, assigns, sets over to and vest in the Purchaser, its successors and assigns, forever, all of the Seller’s right, title and interest, legal or equitable, in and to all of the Acquired Assets.

3. From time to time after the delivery of this instrument, at the Purchaser’s request and without further consideration, Seller will execute, acknowledge and deliver, or will cause to be executed, acknowledged and delivered, all and every such further acts, deeds, conveyance, transfers; assignments, powers of attorney and assurances as reasonably may be required to more effectively convey, transfer to and vest in the Purchaser, and to put the Purchaser in possession of any of the Acquired Assets.

4. Nothing in this Bill of Sale, express or implied, is intended or shall be construed to expand or defeat, impair or limit in any way the representations, warranties, covenants, rights, obligations, claims or remedies of the parties as set forth in the Purchase Agreement.

5. Nothing in this Bill of Sale, express or implied, is intended or shall be construed to confer upon, or give to, any person, corporation or other entity, other than the parties to the Purchase Agreement, any rights, remedies, obligations or liabilities.

6. This Bill of Sale inures to the benefit of and is binding upon the Purchaser and the Seller and their respective successors and assigns.

7. This Bill of Sale may be executed in two or more counterparts, each of which will be deemed an original, but all of which together shall constitute but one and the same instrument.

Facsimile or electronic scan (via email) counterpart signatures to this Bill of Sale shall be acceptable and binding.

IN WITNESS WHEREOF, each of the parties has caused this Bill of Sale to be duly executed and delivered as of the day and year first above written.

SELLER:

PENINSULA AIRWAYS, INC.

By: _____
Name: _____
Title: _____

Exhibit D

**FORM OF
TRADEMARK ASSIGNMENT AGREEMENT**

THIS TRADEMARK ASSIGNMENT AGREEMENT (this “**Assignment**”) is made and entered into as of [], 2018 by and among PENINSULA AIRWAYS, INC, an Alaska corporation (the “**Seller**”), and PENINSULA AVIATION SERVICES, INC., a Delaware corporation (the “**Purchaser**”).

WHEREAS, pursuant to that certain Asset Purchase Agreement, dated as September 28, 2018 (the “**Purchase Agreement**”), by and among Purchaser and Seller, Seller has agreed to sell to Purchaser and Purchaser has agreed to purchase from Seller various assets, including without limitation, the trademarks and trademark applications set forth on Exhibit 1 hereto, including and the goodwill of the business associated therewith (the “**Trademarks**”); and

WHEREAS, Seller owns the entire right, title and interest in and to the Trademarks, and Purchaser desires to acquire Seller’s entire right, title and interest in and to such Trademarks; and

WHEREAS, the parties wish to execute this Assignment for purposes of evidencing the transfer of the Trademarks and to allow Purchaser to file this Assignment with the United States Patent and Trademark Office and all applicable foreign intellectual property offices, as may be necessary to effectuate the assignment and transfer of the Trademarks from Seller to Purchaser; and

WHEREAS, Seller hereby acknowledges and agrees that from and after the date hereof, Purchaser shall be the exclusive owner of all of Seller’s right, title and interest in and to the Trademarks.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth below and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignment. Seller hereby irrevocably and unconditionally grants, conveys, transfers and assigns to Purchaser all of Seller’s right, title and interest in and to the Trademarks, and the goodwill and all rights associated therewith, and all other corresponding rights that are or may be secured under the laws of the United States, any jurisdiction thereof, any foreign country or any multinational jurisdiction now or hereafter in effect, the same to be held by Purchaser for Purchaser’s own use and enjoyment, and for the use and enjoyment of Purchaser’s successors and assigns and other legal representatives, together with all rights to income, royalties and license fees deriving from the Trademarks, all claims for damages by reason of past, present and future infringements or unauthorized uses of the Trademarks and the right to sue for and collect such damages, as permitted under the applicable laws of any jurisdiction or country in which such claims may be asserted for the use and benefit of Purchaser and Purchaser’s successors, assigns and other legal representatives.

2. Assistance. Subject to Section 3, Seller and Purchaser shall execute and deliver such instruments and take such other actions as may reasonably be required in order to carry out the intent of this Assignment and to evidence and effectuate the transactions contemplated herein. Furthermore, Seller hereby covenants and agrees to and with Purchaser, its successors, legal representatives and assigns, that Seller will execute such papers and documents, take such lawful oaths and do such acts as may be reasonably required for the procurement, maintenance,

enforcement and defense of any of the Trademarks, without charge to Purchaser, its successors, legal representatives and assigns.

3. Relation to Purchase Agreement. This Assignment is intended only to effect the transfer of the Trademarks, including the rights therein as provided in Section 1 of this Assignment, and nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including the warranties, covenants, agreements, conditions, representations or, in general any of the rights and remedies, and any of the obligations and indemnifications of any party set forth in the Purchase Agreement. In the event of any conflict or inconsistency between the terms of the Purchase Agreement and the terms hereof, the terms of the Purchase Agreement shall govern.

4. General.

4.1 Severability; Amendment. Any provision in this Assignment which is illegal, invalid or unenforceable shall be ineffective to the extent of such illegality, invalidity or unenforceability, without affecting in any way the remaining provisions hereof. This Assignment may not be amended except by execution and delivery of an instrument in writing signed by officers of Seller and Purchaser on behalf of Seller and Purchaser.

4.2 Entire Agreement; No Third-Party Beneficiaries. This Assignment, including the Exhibits and other documents attached or referred to herein, which form a part hereof, embodies the entire agreement and understanding of the parties hereof, and supersedes all prior or contemporaneous agreements or understandings (whether written or oral) among the parties, in respect to the subject matter contained herein. If any conflict exists between the terms of this Assignment and the terms of the Purchase Agreement, the terms of the Purchase Agreement shall govern and control. This Assignment and the obligations hereunder are not intended to confer any rights or remedies to any third party and are not intended to operate, in anyway, as an agreement for the benefit of any third party.

4.3 Successors and Assigns. This Assignment shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. This Assignment and the rights and obligations hereunder shall not be assignable by Seller without the prior written consent of Purchaser, and any such purported assignment without such consent shall be void. This Assignment and the rights and obligations hereunder shall be assignable by Purchaser without the written consent of Seller.

4.4 Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of Delaware without regard to the rules of conflict of laws of the State of Delaware or any other jurisdiction

4.5 Defined Terms. All capitalized terms not defined herein shall have the meaning assigned to them in the Purchase Agreement.

4.6 Counterparts. This Assignment may be executed in facsimile or other electronic means and in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have caused this Assignment to be executed, as of the date first written above.

SELLER:

PENINSULA AIRWAYS, INC.

By: _____
Name:
Title:

PURCHASER:

PENINSULA AVIATION SERVICES, INC.

By: _____
Name:
Title:

EXHIBIT 1

TRADEMARKS

[Attached]

**EXHIBIT “B”
TO SALE ORDER**

Ravn Air Group / Peninsula Aviation Services

Master List of PenAir Contracts - Assume / Hold / Reject

| # | Location | Type | Vendor / Lessor | Contract | Assume / Hold / Reject | Cure Amount |
|-----|-----------|------------|-----------------------------------|---------------------------------------------------------------------------------------------|------------------------|------------------------|
| 1) | 403XJ | Aircraft | US Bank National Association | 403XJ Saab 340 Aircraft Lease Agreement 9/2014 | Reject | 0 |
| 2) | 403XJ | Aircraft | US Bank National Association | 403XJ Saab 340 Aircraft Lease Agreement, Amendment 1 & Court Approval 11/2017 | Reject | 0 |
| 3) | 404XJ | Aircraft | US Bank National Association | 404XJ Saab 340 Aircraft Lease Agreement 9/2014 | Reject | 0 |
| 4) | 404XJ | Aircraft | US Bank National Association | 404XJ Saab 340 Aircraft Lease Agreement, Amendment 1 & Court Approval 11/2017 | Reject | 0 |
| 5) | 410XJ | Aircraft | US Bank National Association | 410XJ Saab 340 Aircraft Lease Agreement 9/2014 | Reject | 0 |
| 6) | 410XJ | Aircraft | US Bank National Association | 410XJ Saab 340 Aircraft Lease Agreement, Amendment 1 & Court Approval 11/2017 | Reject | 0 |
| 7) | 462PA | Aircraft | Wells Fargo, National Association | 462PA Saab 2000 Aircraft Lease with Purchase Option 7/2018 | Hold | 0 |
| 8) | 680PA | Aircraft | JetStream Aviation | 680PA Saab 2000 Aircraft Lease Agreement 3/2015 | Assume | As negotiated |
| 9) | 680PA | Aircraft | JetStream Aviation | 680PA Saab 2000 Aircraft Lease Agreement, Amendment 1 | Assume | As negotiated |
| 10) | 680PA | Aircraft | JetStream Aviation | 680PA Saab 2000 Aircraft Lease Agreement, Amendment 2 & Court Approval 11/2017 | Assume | As negotiated |
| 11) | 681PA | Aircraft | JetStream Aviation | 681PA Saab 2000 Aircraft Lease Agreement 3/2015 | Assume | As negotiated |
| 12) | 681PA | Aircraft | JetStream Aviation | 681PA Saab 2000 Aircraft Lease Agreement, Amendment 1 | Assume | As negotiated |
| 13) | 681PA | Aircraft | JetStream Aviation | 681PA Saab 2000 Aircraft Lease Agreement, Amendment 2 & Court Approval 11/2017 | Assume | As negotiated |
| 14) | 682PA | Aircraft | JetStream Aviation | 682PA Saab 2000 Aircraft Lease Agreement 3/2015 | Assume | As negotiated |
| 15) | 682PA | Aircraft | JetStream Aviation | 682PA Saab 2000 Aircraft Lease Agreement, Amendment 1 | Assume | As negotiated |
| 16) | 682PA | Aircraft | JetStream Aviation | 682PA Saab 2000 Aircraft Lease Agreement, Amendment 2 & Court Approval 11/2017 | Assume | As negotiated |
| 17) | 686PA | Aircraft | JetStream Aviation | 686PA Saab 2000 Aircraft Lease Agreement 11/2015 | Assume | As negotiated |
| 18) | 686PA | Aircraft | JetStream Aviation | 686PA Saab 2000 Aircraft Lease Agreement, Amendment 1 & Court Approval 11/2017 | Assume | As negotiated |
| 19) | 687PA | Aircraft | JetStream Aviation | 687PA Saab 2000 Aircraft Lease Agreement 11/2015 | Assume | As negotiated |
| 20) | 687PA | Aircraft | JetStream Aviation | 687PA Saab 2000 Aircraft Lease Agreement, Amendment 1 & Court Approval 11/2017 | Assume | As negotiated |
| 21) | N365PX | Aircraft | Turbo Lease | 365PX Saab 340 Aircraft Lease Agreement | Reject | 550,750 ⁽¹⁾ |
| 22) | N369PX | Aircraft | Turbo Lease | 369PX Saab 340 Aircraft Lease Agreement | Reject | 0 |
| 23) | N685PA | Aircraft | Turbo Lease | 685PA Saab 340 Aircraft Lease Agreement | Reject | 0 |
| 24) | N665PA | Aircraft | Turbo Lease | 665PA Saab 340 Aircraft Lease Agreement | Reject | 0 |
| 25) | N679PA | Aircraft | Turbo Lease | 679PA Saab 340 Aircraft Lease Agreement | Reject | 0 |
| 26) | N424XJ | Aircraft | Turbo Lease | 424XJ Saab 340 Aircraft Lease Agreement | Reject | 0 |
| 27) | 675PA | Aircraft | GSST | 675PA Saab 340 Aircraft Lease Agreement, 4/2007 | Reject | 1,124,070 |
| 28) | ANC | Facilities | PenAir Realty | PENAIR REALTY | Hold | 769,315 ⁽¹⁾ |
| 29) | AKN | Facilities | State of Alaska | AKN Land Lease Agreement ADA-50736 SUPPLEMENT NO 1 | Assume | 0 |
| 30) | AKN | Facilities | State of Alaska | AKN Land Lease Agreement ADA-50736.pdf | Assume | 0 |
| 31) | AKN | Facilities | State of Alaska | AKN Sublease ARNIC ADA-04250.pdf | Assume | 0 |
| 32) | AKN | Facilities | State of Alaska | AKN Sublease TSA Lease Amendment 4 GS-108-068557.pdf | Assume | 0 |
| 33) | AKN | Facilities | PenAir Realty | Frosty Fuels Deed of Trust.pdf | Assume | 0 |
| 34) | AKN | Facilities | AKN Leasing | King Salmon, Lot 2B, Block 1 | Assume | 21,274 |
| 35) | ANC | Facilities | State of Alaska | ANC Development Agreement for the Ramp Project, ADA-30562, Plus Ex. C & D | Hold | 0 |
| 36) | ANC | Facilities | State of Alaska | ANC Land Lease Agreement ADA-30562.pdf | Hold | 0 |
| 37) | ANC | Facilities | State of Alaska | ANC Property Lease Agreement Block 27, Lot 5B AIA .pdf | Hold | 48,103 |
| 38) | ANC | Facilities | State of Alaska | ANC Operating Agreement and Passenger Terminal Lease Supplement No 1. ADA-31883.pdf | Hold | 0 |
| 39) | ANC / FAI | Facilities | State of Alaska | ANC Operating Agreement and Passenger Terminal Lease ADA-31883.pdf | Hold | 0 |
| 40) | ANC / FAI | Facilities | State of Alaska | ANC Operating Agreement and Passenger Terminal Lease Master Supplement No 2. ADA-31883.pdf | Hold | 1,481,236 |
| 41) | ANC / FAI | Facilities | State of Alaska | ANC Operating Agreement and Passenger Terminal Lease, ADA-31833, Master Supplement No 1.pdf | Hold | 0 |
| 42) | BOS | Facilities | Massachusetts Port Authority | BOS Alaska Air Space Use Agreement at Boston-Logan Airport, AS Contract No. 15-121.pdf | Assume | 5,370 |
| 43) | BOS | Facilities | Massachusetts Port Authority | BOS Sublease WestJet Encore Ltd. Terminal A, 3-2016.pdf | Assume | 0 |
| 44) | BOS | Facilities | Massachusetts Port Authority | BOS Sublease WestJet Encore Ltd. - Consent to Sublease Terminal A, 3-2016.pdf | Assume | 0 |

(1) Disputed.

Ravn Air Group / Peninsula Aviation Services

Master List of PenAir Contracts - Assume / Hold / Reject

| # | Location | Type | Vendor / Lessor | Contract | Assume / Hold / Reject | Cure Amount |
|-----|----------|---------------|------------------------------|-------------------------------------------------------------------------------------------------|------------------------|-------------|
| 45) | BOS | Facilities | Massachusetts Port Authority | BOS Terminal Office Space Lease 10-2016.pdf | Assume | 0 |
| 46) | BOS | Facilities | Massachusetts Port Authority | BOS Alaska Air Space Use Agreement | Assume | 0 |
| 47) | CDB | Facilities | State of Alaska | CDB Assignment for Security Purposes ADA-08136.pdf | Assume | 0 |
| 48) | CDB | Facilities | State of Alaska | CDB Land Lease ADA-08136 Supplement No. 1 | Assume | 0 |
| 49) | CDB | Facilities | State of Alaska | CDB Land Lease ADA-08136 | Assume | 0 |
| 50) | CDB | Facilities | State of Alaska | Cold Bay Airport / Fuel Permit | Assume | 0 |
| 51) | DLG | Facilities | State of Alaska | DLG Land Lease Agreement ADA-08841.pdf | Assume | 0 |
| 52) | DLG | Facilities | PenAir Realty | DLG TSA Lease GS-10B-06915.pdf | Assume | 0 |
| 53) | DUT | Facilities | City of Unalaska | DUT Sublease Tom Madsen Airport Terminal Agreement 2016.pdf | Assume | 0 |
| 54) | SDP | Facilities | State of Alaska | SDP Airport Lease Lot, supplement 1 & 2 | Assume | 0 |
| 55) | ANC | Facilities | State of Alaska | Sublease Alaska Cargoport | Reject | 0 |
| 56) | ANC | Facilities | Alaska Cargoport, LLC | Sublease Alaska Cargoport AMENDMENTS 1-3 | Reject | 99,400 |
| 57) | DLG | Facilities | Choggiung Investment Corp. | Choggiung Investment Corp. Apartment Rental Agreement, 5-2017.pdf | Assume | 0 |
| 58) | Elkhart | Facilities | Enterprise Holding LLC | SLM Management LLC | Assume | 0 |
| 59) | SNP | Facilities | TDX | Terminal Building Rent / AOA space | Assume | 0 |
| 60) | DUT | Facilities | Strawberry Hill | Employee housing DUT | Assume | 0 |
| 61) | DLG | Facilities | State of Alaska | DLG Land Lease Agreement ADA-08841 Supplement No. 1 | Assume | 0 |
| 62) | DLG | Facilities | BEAR PAW INN | BEAR PAW INN | Assume | 0 |
| 63) | BOS | Facilities | MASS PORT | MASS PORT | Hold | 106,698 |
| 64) | MCG | Facilities | MCG Turnaround Services | MCG MCGRATH TURNAROUND SERVICE TERMINAL AGREEMENT | Reject | 0 |
| 65) | ANC | Equipment | Wells Fargo | GE Capital Mitsubishi Forklift | Hold | 4,539 |
| 66) | AKN | Equipment | State of Alaska | AKN Fuel Dispensing Permit Ada-08956 | Assume | 0 |
| 67) | DUT | Equipment | State of Alaska | DUT Supplement No. 1 to Fuel Dispensing Permit, ADA-08675 | Assume | 0 |
| 68) | ANC | Equipment | DAL Global Services | ANC DAL Global Services Ground Handling Agreement.pdf | Hold | 0 |
| 69) | ANC | Equipment | Shannon and Wilson | ANC Notice for Intent for Storm Water Discharge.pdf | Assume | 1,801 |
| 70) | ANC | Equipment | FEAM | FEAM GSE & Deicing Agreement, 1-2017.pdf | Hold | 160,656 |
| 71) | MCG | Equipment | MCG Turnaround Services | MCG McGrath Turnaround Services Ground Handling Agreement.pdf | Reject | 0 |
| 72) | STG | Equipment | City of Saint George | STG Ground Handling Agreement.pdf | Reject | 4,469 |
| 73) | SNP | Equipment | APUN Sealmaster | SNP APUN Ground Handling Agreement.pdf | Assume | 1,436 |
| 74) | BOS | Equipment | Somerset | Ground Service Equipment | Hold | 0 |
| 75) | ANC | Equipment | Alaska Airlines | GSE Equipment, BOS contract | Hold | 0 |
| 76) | ANC | IT | SABRE | Flight reservation system | Hold | 0 |
| 77) | ANC | IT | eREV | Ticket/revenue processing | Hold | 9,000 |
| 78) | ANC | IT | ettAviation | SkedFlex flight crew scheduling | Hold | 6,615 |
| 79) | ANC | IT | NavBlue | Navigation software | Hold | 1,611 |
| 80) | ANC | IT | REVENUE MANAGEMENT | Revenue Mgmt & Statistics software | Hold | 87,696 |
| 81) | ANC | Admin/Finance | SAGE | Accounting Software | Hold | 0 |
| 82) | ANC | Admin/Finance | JAMF SOFTWARE, LLC. | Office / Admin Software | Hold | 0 |
| 83) | ANC | Admin/Finance | Filemaker | Database Software | Hold | 255 |
| 84) | ANC | Admin/Finance | ISOLVED | Payroll & H/R Software / Processing fees | Hold | 0 |
| 85) | ANC | Admin/Finance | Marlin | copiers serial # KZZ00776, JWH06872, HRM01053, HRM01177, DPZ02657, FRU42006, THF02135, MPG98896 | Hold | 0 |
| 86) | ANC | Admin/Finance | Royal-Business Systems | copiers serial # XVM3402403, LA84900713MAC | Hold | 163 |
| 87) | ANC | Admin/Finance | Wells Fargo | l pads | Hold | 23,979 |
| 88) | ANC | Admin/Finance | Cisco | Firewall / servers | Hold | 1,853 |

Ravn Air Group / Peninsula Aviation Services

Master List of PenAir Contracts - Assume / Hold / Reject

| # | Location | Type | Vendor / Lessor | Contract | Assume / Hold / Reject | Cure Amount |
|------|----------|---------------|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------|
| 89) | ANC | Admin/Finance | PBS | Healthcare Plan | Assume | Unliquidated |
| 90) | ANC | Admin/Finance | Marsh USA Inc. | Insurance | Hold | 100,000 |
| 91) | ANC | Admin/Finance | PBS/John Hancock | 401K Plan, plan rates vary by EE count & plan | Hold | 0 |
| 92) | ANC | Admin/Finance | PBS | Flex Spending Accounts | Hold | 0 |
| 93) | ANC | Admin/Finance | EMPATHIA | CARE Program | Hold | 0 |
| 94) | ANC | Admin/Finance | ARINC | Radio | Hold | 6,501 |
| 95) | ANC | Admin/Finance | IATA | | Assume | 0 |
| 96) | ANC | Admin/Finance | WSI CORP | | Hold | 3,695 |
| 97) | ANC | Admin/Finance | ID90 | Travel Benefits | Hold | 40,759 |
| 98) | ANC | Admin/Finance | LUFTHANA SYSTEMS | My ID Travel | Hold | 0 |
| 99) | ANC | Admin/Finance | CAE AVIATION TRAINING | Saab 2000 Training | Assume | 0 |
| 100) | ANC | Admin/Finance | PAN AM TRAINING | Training | Hold | 94,975 |
| 101) | ANC | Admin/Finance | CONNECTHR | Human Resources Services | Hold | 0 |
| 102) | ANC | Admin/Finance | BEACON INSIGHT | Human Resources Software | Hold | 2,500 |
| 103) | ANC | Admin/Finance | PERMAN STOLER | BOND | Hold | 0 |
| 104) | ANC | Admin/Finance | AIRLINES CLEARING HOUSE, INC | Passenger/Freight Revenue Accounting | Assume | 0 |
| 105) | ANC | Admin/Finance | AIRLINES REPDRTING CORP | ARC | Hold | 0 |
| 106) | 680PA | Maintenance | JSSI | 680PA Amended and Restated Assignment and Consent for JSSI Premium On Condition Engine Maintenance, Contract No. JSSI0035812.pdf | Hold | 0 |
| 107) | 680PA | Maintenance | JSSI | 680PA Assignment and Consent for JSSI Premium On Condition Engine Maintenance Program, Contract No. JSSI0035812, 5-2015.pdf | Hold | 0 |
| 108) | 680PA | Maintenance | WorldWide Aircraft Service | 680PA - WorldWide Aircraft Services Maintenance Services and Repair Estimate for 4000hr and 4-year Inspection.pdf | Hold | 251,944 |
| 109) | 681PA | Maintenance | JSSI | 681PA - Amended and Restated Assignment and Consent for JSSI Premium On-Condition Program, Contract No. JSSI0035808.pdf | Hold | 0 |
| 110) | 681PA | Maintenance | JSSI | 681PA - Assignment and Consent for JSSI Premium On-Condition Engine Maintenance Program, Contract No. JSSI00358085-2016.pdf | Hold | 0 |
| 111) | 681PA | Maintenance | JSSI | 681PA - Exhibit C of JSSI Premium On Condition Program, Contract No. JSSI0035808, 8-2015.pdf | Hold | 0 |
| 112) | 681PA | Maintenance | JSSI | 681PA - JSSI Premium on Condition Engine Maintenance Program, Contract No. JSSI0035808, 8-2015.pdf | Hold | 0 |
| 113) | 682PA | Maintenance | JSSI | 682PA - Amended and Restated Assignment and Consent for JSSI Premium On-Condition Engine Maintenance, Contract No. JSSI0035810, 11-2015.pdf | Hold | 0 |
| 114) | 682PA | Maintenance | JSSI | 682PA - Assignment and Consent for JSSI Premium On-Condition Engine Maintenance, Contract No. JSSI0035810, 4-2015.pdf | Hold | 0 |
| 115) | 682PA | Maintenance | JSSI | 682PA - Exhibit C of JSSI Premium On Condition Engine Maintenance Program, Contract No. JSSI0035810, 4-2015.pdf | Hold | 0 |
| 116) | 687PA | Maintenance | JSSI | 687PA Amended and Restated Assignment and Consent for JSSI Premium On Condition Engine Maintenance, Contract No. JSSI0038234.pdf | Hold | 0 |
| 117) | 687PA | Maintenance | JSSI | JSSI Authorization for Pre-Induction Diagnostic Survey, 8-2016.pdf | Hold | 0 |
| 118) | N/A | Maintenance | JSSI | JSSI AE2100A Fleet Program Contract, Contract No. PAFLEET01, 5-2017.pdf | Hold | 2,342,467 |
| 119) | N/A | Maintenance | JSSI | JSSI Premium On Condition Engine Maintenance Program, Contract No. JSSI0038234.pdf | Hold | 0 |
| 120) | N/A | Maintenance | JSSI | JSSI Maintenance Agreement, non-ECMP | Hold | 0 |
| 121) | N/A | Maintenance | GE Engine Services | GE Engine Care Maintenance Plan for CT7-9B and CT7-5A2 Engines - Agreement No. 1-0000004824.pdf | Reject | 1,673,671 |
| 122) | N/A | Maintenance | GE Engine Services | GE Engine Care Maintenance Plan Amendment | Reject | 0 |
| 123) | N/A | Maintenance | AIRDAT | AirDat TAMDAT Agreement, 9-2006.pdf | Assume | 0 |
| 124) | N/A | Maintenance | Panasonic Avionics | Panasonic Avionics - Amendment No.1 to AIRDAT agreement 7-2015.pdf | Hold | 80,000 |

Ravn Air Group / Peninsula Aviation Services

Master List of PenAir Contracts - Assume / Hold / Reject

| # | Location | Type | Vendor / Lessor | Contract | Assume / Hold / Reject | Cure Amount |
|------|----------|-------------|------------------------------|----------------------------------------------------------------------------|------------------------|---------------|
| 125) | N/A | Maintenance | Aviation Inventory Resources | Aviation Inventory Resources Consignment and Support Agreement 5-2012 | Reject | 0 |
| 126) | N/A | Maintenance | Aviation Inventory Resources | Aviation Inventory Resources Consignment and Support Agreement 9-2014 | Reject | 0 |
| 127) | N/A | Maintenance | Aviation Inventory Resources | Aviation Inventory Resources Rental Agreement Saab 340, 2-2016 | Reject | 1,217,858 |
| 128) | N/A | Maintenance | Saab Aircraft of America | Saab Aircraft of America Rental Agreement for Propeller.pdf | Reject | 0 |
| 129) | N/A | Maintenance | Saab Defense and Security | Saab Defense and Security Aircraft Parts Services Agreement, Saab 2000.pdf | Reject | 880,590 |
| 130) | N/A | Maintenance | Rolls Royce | Rolls Royce Agreement | Hold | 0 |
| 131) | N/A | Maintenance | Rolls Royce | Rolls Royce Agreement, Amendment 1 | Hold | 434,061 |
| 132) | N/A | Maintenance | Jetstream Aviation | Jetstream Maintenance Reserves | Hold | As negotiated |