

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

Dynamic Aerostructures LLC, *et al.*,
Debtors.¹

Chapter 11

Case No. 25-10292 (LSS)

(Jointly Administered)

Related Docket No. 11

**INTERIM ORDER (I) AUTHORIZING
DEBTORS TO (A) PAY PREPETITION WAGES,
EMPLOYEE BENEFITS OBLIGATIONS, AND OTHER COMPENSATION,
(B) CONTINUE EMPLOYEE BENEFITS PROGRAMS AND PAY RELATED
ADMINISTRATIVE OBLIGATIONS AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the Debtors for entry of this interim order (the “Order”) and a final order: (i) authorizing, but not directing, the Debtors, in their discretion, to (a) pay Prepetition Compensation Obligations and related expenses arising under or related to Compensation and Benefits Programs and (b) continue their Compensation and Benefits Programs in effect as of the Petition Date (and as may be amended, renewed, replaced, modified, revised, supplemented, or terminated from time to time in the ordinary course of business) and pay related administrative obligations; and (ii) granting related relief, all as more fully set forth in the Motion; and upon consideration of the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Dynamic Aerostructures LLC (3076); Dynamic Aerostructures Intermediate LLC (9800); and Forrest Machining LLC (3421). The Debtors’ service address is 27756 Avenue Mentry, Valencia, California 91355.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.



having found that venue of these cases and this proceeding is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing on the Motion (the "Final Hearing") is set for March 25, 2025 at 11:00 a.m. (prevailing Eastern Time). Any objections or responses to the entry of the proposed Final Order shall be filed on or before 4:00 p.m. (prevailing Eastern Time) on March 18, 2025 (the "Objection Deadline"), and shall be served on the following parties or their respective counsel on or before the Objection Deadline: (i) proposed co-counsel to the Debtors, Ropes & Gray LLP, 1211 Avenue of the Americas, New York, NY 10036 (Attn: Gregg M. Galardi; email: gregg.galardi@ropesgray.com) and Chipman Brown Cicero & Cole LLP, 1313 N. Market Street, Suite 5400, Wilmington, DE 19801 (Attn: Mark L. Desgrosseilliers and Robert A. Weber; email: desgross@chipmanbrown.com and weber@chipmanbrown.com); and 501 5th Ave., 15th Floor, New York, NY 10017 (Attn: Daniel G. Egan; email: egan@chipmanbrown.com); (ii) counsel to the DIP Agent and the DIP Lender, King & Spalding LLP, 1100 Louisiana St., Suite 4100, Houston, TX 77002 (Attn: Michael Fishel; email: mfishel@kslaw.com) and Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801 (Attn:

Kenneth J. Enos; email: kenos@ycst.com); (iii) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lock Box 35, Wilmington, Delaware 19801 (Attn: Rosa Sierra-Fox; email: Rosa.Sierra-Fox@usdoj.gov); and (iv) counsel for any statutory committee appointed in these chapter 11 cases. If no objections or responses are filed and served by the Objection Deadline, the Court may enter the Final Order without further notice or hearing.

3. The Debtors are authorized, but not directed, in their discretion, to make cash payments on account of the Prepetition Compensation Obligations and related expenses arising under or related to the Compensation and Benefits Programs up to \$590,050 in the aggregate on an interim basis as set forth in the chart below; *provided*, that the Debtors shall not make any payments in excess of the amounts set forth in sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code without further order of this Court, unless applicable state law requires payments upon termination of an Employee that, in combination with the other payments authorized by this order, would exceed the limits of sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code.

Prepetition Compensation Obligation	Approximate Amount Due and Payable on an Interim Basis
Employee Obligations (Wages & Salaries)	\$380,000
Payroll Administrator Costs	\$6,300
Business Expenses	\$50,000
Employee Benefits Programs	\$73,750
Deductions, Withholdings & Payroll Taxes	\$80,000
Total	\$590,050

4. The Debtors are authorized, but not directed, in their discretion, to: (a) continue their Compensation and Benefits Programs in effect as of the Petition Date and pay related administrative expenses; and (b) amend, renew, replace, modify, revise, supplement, or terminate such Compensation and Benefits Programs in the ordinary course of business; provided, however,

that the Debtors shall seek Court approval, upon a motion on notice, of any modification that would implicate any portion of section 503(c) of the Bankruptcy Code.

5. The Debtors are authorized, but not directed, in their discretion, to: (a) continue utilizing third parties in connection with the Compensation and Benefits Programs as described in the Motion and to pay or caused to be paid such claims as and when such obligations are due; and (b) pay prepetition amounts owing in the ordinary course of business to third parties in connection with the Compensation and Benefits Programs.

6. The Debtors are authorized to forward any unpaid amounts on account of Deductions and Withholdings to the appropriate third-party recipients or taxing authorities in accordance with the Debtors' prepetition practices and policies.

7. For the avoidance of doubt, the Debtors reserve all rights to modify, alter, limit, or terminate the Compensation and Benefits Programs in their business judgment and in the ordinary course of business, without further order from the Court; *provided*, that the Debtors shall seek approval from the Court, upon a motion on notice, of any modification of the Compensation and Benefits Programs that would implicate any portion of section 503(c) of the Bankruptcy Code.

8. Nothing herein shall be deemed to (a) authorize the payment of any amounts in satisfaction of bonus or severance obligations or authorize the payment of any amounts that are subject to section 503(c) of the Bankruptcy Code; or (b) authorize the Debtors to pay any amounts on account of PTO except upon termination of an Employee if applicable state law requires such payment.

9. The Banks are (a) authorized and directed to receive, process, honor and pay any and all prepetition and postpetition checks, drafts, electronic transfers and other forms of payment used by the Debtors to satisfy their Prepetition Compensation Obligations, whether presented

before, on, or after the Petition Date; *provided* that sufficient funds are on deposit in the applicable accounts to cover such payments, and (b) prohibited from placing any holds on, or attempting to reverse, any automatic transfers on account of Prepetition Compensation Obligations. The Banks shall rely on the direction and representations of the Debtors as to which checks and fund transfers should be honored and paid pursuant to this Order, and any such Bank shall not have any liability to any party for relying on such direction and representations by the Debtors as provided for in this Order.

10. Nothing in this Order nor any actions taken hereunder: (a) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code or an admission as to the validity of any claim against the Debtors or their estates; (b) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors or their estates to contest the validity, priority, or amount of any claim against the Debtors or their estates; (c) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors or their estates with respect to any and all claims or causes of action against any third party; (d) shall be construed as a promise to pay a claim or continue any applicable program post-petition, which decision shall be in the discretion of the Debtors; or (e) shall create, or is intended to create, any rights in favor of, or enhance the status of any claim held by, any person. Any payment made pursuant to this Order is not intended to be nor should it be construed as an admission as to the validity of any claim or a waiver of the Debtors' rights to subsequently dispute such claim.

11. Notwithstanding anything to the contrary contained in the Motion or in this Order, the Debtors shall provide reasonable advance notice to counsel to the DIP Lender of any material changes or modifications to the Debtors' historical policies and practices with respect to any action taken or proposed to be taken hereunder, and the Debtors, in consultation with the DIP Lender,

shall seek Court approval, on notice, of any such material changes or modification to the extent required under the Bankruptcy Code.

12. The requirements of Bankruptcy Rule 6003 are satisfied.

13. Notwithstanding Bankruptcy Rule 6004(h) or any other procedural rule, this Order shall be effective and enforceable immediately upon entry hereof and notice of the Motion as provided therein shall be deemed good and sufficient pursuant to the requirements of Bankruptcy Rule 6004(a) and the Local Rules.

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

15. This Court shall retain exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: February 27th, 2025
Wilmington, Delaware

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LAURIE SELBER SILVERSTEIN
UNITED STATES BANKRUPTCY JUDGE