

ASSET PUBLIC SALE NOTICE, PURSUANT TO THE UCC

PLEASE TAKE NOTICE that, Business Aircraft Sales Corporation (“BASC”), on behalf of senior secured lender, HV Pal Holdings, LLC (“Lender”), pursuant to and in accordance with the terms and conditions of the Stipulation (as defined herein), will offer for sale at public auction that certain 1986 Bombardier Challenger C1-601-2A12, bearing U.S. manufacturer’s serial number 3064 and Federal Aviation Administration Registration Mark N28FM, collectively with all installed, incorporated or attached accessories, parts and equipment, including the Airframe, two (2) General Electric model CF34-3A engines bearing serial numbers 350230 and 350235 and any APU (the “Aircraft”).

It is the understanding of the Lender (but without any recourse to, or representation or warranty of any kind by, the Lender as to the accuracy or completeness) that: (i) the Aircraft constitutes the principal asset of the Borrower, subject to the terms of the Sale Order (as defined herein); (ii) the Aircraft secures payment of a loan in the original principal amount of \$650,000.00 made by Lender to Borrower, for which events of default have occurred and are continuing, and, therefore, pursuant to, *inter alia*, (a) that certain “Loan and Security Agreement (N28FM),” dated as of January 7, 2021, by and between Lender and Borrower, and (b) “Promissory Note” in the principal amount of \$650,000.00, dated as of January 7, 2021, made by Borrower and held by Lender (collectively with the Loan and Security Agreement (N28FM) and such other and additional applicable loan documents, the “Loan Documents”), Lender has certain rights and remedies available to it with regard to the Aircraft, among other things.

On April 16, 2021, the United State District Court for the Southern District of Florida, Miami Division (the “District Court”) in the case captioned *CCUR Aviation Finance, LLC, et al. v. South Aviation, Inc., et al.*, Case No. Case No. 21-cv-60462-BLOOM/Valle, entered the *Order on Plaintiffs’ Verified Amended Expedited Motion for Appointment of Temporary Receiver* [Entry No. 43], which approved and appointed Barbara A. Martinez to serve as the temporary receiver (the “Temporary Receiver,” and together with the Lender, the “Parties”) over South Aviation, Inc. and its respective affiliates, subsidiaries, successors, and assigns.

The Lender, in consultation with, and with the consent of, the Temporary Receiver, shall sell the Aircraft. Such arrangement was memorialized in that certain *Stipulation By and Between HV Pal Holdings, LLC and Temporary Receiver for South Aviation, Inc. and the Receivership Estates* (the “Stipulation”) [Entry No. 113; Exh. B], which was approved by the District Court on October 6, 2021 [Entry No. 114] (the “Sale Order). The Sale Order, *inter alia*, (i) expanded the receivership to include Borrower and the Aircraft (on a final basis); (ii) approved the sale of the Aircraft in accordance with the terms of the Stipulation; and (iii) authorized the Parties to take any and all actions reasonably necessary to consummate the Stipulation and perform all of the obligations thereunder.

BASC, on behalf of the Lender, will accept bids during the period commencing on February 22, 2022 and ending at 5:00 p.m. (Prevailing Eastern Time) on March 24, 2022 (the “Bidding Period”). If BASC receives one or more Qualified Bids (as defined in the Terms of Sale) during the Bidding Period, BASC will discuss and negotiate such Qualified Bids with the Qualified Bidders for a period of not more than seven (7) days following the expiration of the Bidding Period, at the conclusion of which the Successful Bid (as defined in the Terms of Sale) shall be selected.

The Aircraft will be sold as a single unit and is offered **AS IS, WHERE IS, WITH ALL FAULTS**. The Parties make no guarantee, representation or warranty, express or implied, as to any matter, including as to any matter pertaining to the Aircraft, and the sale of the Aircraft will be made without recourse to, and without representation or warranty of any kind or nature whatsoever.

PLEASE TAKE FURTHER NOTICE that, specific requirements have been established for any potential bidder interested in, *inter alia*, bidding on the Aircraft and purchasing the Aircraft (collectively, the “Requirements”), including, without limitation, complying with the requirements applicable to the sale of the Aircraft as set forth under the “Participation and Bid Requirements” header and other qualifications and requirements set forth in the “Terms of Sale.”

An online data site has been established (the “Data Site”), which will include certain information that the Lender possesses concerning the Aircraft and Loan Documents (collectively, the “Disclosed Materials”) as well as the Terms of Sale. Access to the Data Site may be obtained by contacting Leslie Salcedo at (Leslie.Salcedo@alston.com). Prospective bidders must confirm their ability to satisfy the Requirements in the manner described in the Terms of Sale. Additionally, an online site (<https://www.hklaw.com/en/general-pages/receiverships-and-class-actions/south-aviation-inc-receivership>) has been established by the Temporary Receiver, which provides, *inter alia*, background information regarding the receivership, material updates regarding the receivership and copies of certain key documents (the “Receivership Site”). No information provided, whether in the Data Site, Receivership Site or otherwise, shall constitute a representation or warranty of any kind with respect to, *inter alia*, such information or the Aircraft. Participants are encouraged to review all Disclosed Materials, among other things, and perform such due diligence as they deem necessary in advance of placing a bid.

Lender reserves the right to credit bid or make a cash bid in excess of any credit bid, consistent with the terms and conditions of the Stipulation. The Lender, in consultation with, and with the consent of, the Temporary Receiver, reserves the right to set a minimum bid price, reject all bids and terminate or adjourn the sale to another time, without further notice, consistent with the terms and conditions of the Stipulation. The Successful Bidder (as defined in the Terms of Sale) must deliver immediately available good funds (i) for the Good Faith Deposit (as defined in the Terms of Sale), and (ii) for the balance of the purchase price for the Aircraft on the closing date, all as more fully described in the Terms of Sale. The winning bidder must pay all Closing Costs (as defined in the Terms of Sale) incurred in connection with the purchase of the Aircraft.

Questions may be directed to (i) counsel to Lender, Alston & Bird LLP, 90 Park Avenue, New York, New York 10016, Tel.: (212) 210-9571, Attn: Gerard S. Catalanello, Esq. (Gerard.Catalanello@alston.com) and Kimberly J. Kodis, Esq. (Kimberly.Kodis@alston.com); and (ii) counsel to the Temporary Receiver, Holland & Knight LLP, 701 Brickell Avenue, Suite 3300, Miami, Florida 33131, Attn: Warren Gluck, Esq. (Warren.Gluck@hklaw.com; Tel.: (212) 513-3200), Jessica B. Magee, Esq. (Jessica.Magee@hklaw.com; Tel.: (214) 969-1375) and Sydney B. Alexander, Esq. (Sydney.Alexander@hklaw.com; Tel.: (305) 374-8500).