

NOTICE OF PUBLIC DISPOSITION OF COLLATERAL

NAME OF DEBTOR:

Jet Midwest Group, LLC (“JMG” or “Debtor”)
1105 North Market Street,
Wilmington Delaware 19801;

9200 NW 112th St.
Kansas City, MO 64153; and

5901 W. Century Blvd. Suite 1410
Los Angeles, CA 90045

Attn: Karen Kraus
E-mail: karen@jetmidwest.com

NAME OF SECURED PARTY:

KMW Business Jets, LLC (“KMW”)
2601 E. Murray Holladay Rd.
Holladay, Utah 84117
Attn: Bradley R. Helsten
E-mail: brad@helsten.com

NAME OF GUARANTORS:

Paul Kraus and Karen Kraus
1105 North Market Street,
Wilmington Delaware 19801;

9200 NW 112th St.
Kansas City, MO 64153; and

5901 W. Century Blvd. Suite 1410
Los Angeles, CA 90045

E-mail: paul.kraus@jetmidwest.com
E-mail: karen@jetmidwest.com

PLEASE TAKE NOTICE that KMW will sell certain Collateral (as defined below) to the highest qualified bidder at a public auction (the “Disposition”) pursuant to N.Y. U.C.C. § 9-610 and § 9-613, as well as other applicable sections of the Uniform Commercial Code (the “UCC”) under New York law, and the provisions of the operative loan documents.

DISPOSITION: The Disposition will commence at the following date, time, and place:

Date: December 19, 2018

Time: 11:30 a.m. (Central Standard Time)

Place: Spencer Fane

1000 Walnut Street
Suite 1400
Kansas City, MO 64106

Additional information regarding the Disposition can be found at <https://gtg.legal/public-notices/>. Please refer to this website for additional information regarding the Disposition, including information regarding bidding on the Collateral, as remote bidding options may be available on certain items of Collateral, as well as procedures to qualify to bid. Unless otherwise decided by KMW prior to the commencement of the Disposition, the Collateral will be sold in one lot; not individually. Certain Collateral is physically located outside of the United States, for which the Disposition will still be conducted at the date, time, and place noted above. Please refer to the website for more information. For further information in this regard, you may contact Erick Gjerdingen, Esq. *via* e-mail at egjerdingen@gtg.legal, or by phone at 725-777-3000.

COLLATERAL: The Collateral to be sold is the collateral named in the Aircraft Security Agreement (as defined below), as more particularly detailed on **Schedule A** to this notice which has not been previously disposed of and remains in the possession of the Debtor as of the Disposition.

SECURITY AGREEMENT: The Collateral is subject to the first-priority interests of KMW pursuant to the that certain *Aircraft Mortgage and Security Agreement* dated January 17, 2017 between JMG, as Mortgagor, and KMW, as Secured Party, which was amended and restated to update the collateral list in the *Amended and Restated Aircraft Mortgage and Security Agreement* (collectively, the “Aircraft Security Agreement”) filed with the Federal Aviation Administration Civil Aviation Registry on December 4, 2017 as Conveyance No. SD013507, which identified certain aircraft including engines.

ADDITIONAL INFORMATION: Additional information regarding the sale is available by visiting <https://gtg.legal/public-notices/> or by contacting Erick Gjerdingen, Esq. *via* e-mail at egjerdingen@gtg.legal, or by phone at 725-777-3000.

THE SALES ARE “AS IS”, “WHERE IS” WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND. PLEASE CONTACT GARMAN TURNER GORDON LLP REGARDING PROCEDURES FOR INSPECTING THE COLLATERAL, WHICH INSPECTION MAY BE CONTINGENT ON PROVING QUALIFICATIONS TO BID AT A REQUISITE AMOUNT.

Debtor is entitled to an accounting of the unpaid indebtedness secured by the Collateral subject to the Disposition. Debtor may contact Erick Gjerdingen, Esq. *via* e-mail at egjerdingen@gtg.legal, or by phone at 725-777-3000 to request such accounting. The cost for such accounting will be prevailing market rates of KMW’s professionals.

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SHOULD YOU HAVE ADDITIONAL QUESTIONS REGARDING THE DISPOSITION, YOU SHOULD PROMPTLY REQUEST SUCH ADDITIONAL INFORMATION, AND SHOULD LIKEWISE SEEK THE ADVICE OF LEGAL COUNSEL IF YOU BELIEVE YOUR RIGHTS OR INTERESTS MAY BE AFFECTED BY THE DISPOSITION.

Authenticated by:

KMW Business Jets, LLC

By: 
Name: Bradley R. Helsten
Title: Manager

Schedule A

<u>Airframe</u>	<u>Engine</u>	<u>MSN</u>	<u>N-Number¹</u>
Dassault Falcon 900		061	N261KW
	Honeywell TFE731-5BR-1C	P97102C	
	Honeywell TFE731-5BR-1C	P97248C	
	Honeywell TFE731-5BR-1C	P97296C	
Gulfstream G-IV		1031	N431TL
	Rolls Royce Tay 611-8	16392	
	Rolls Royce Tay 611-8	16170	
Gulfstream G-IV		1035	N435TF
	Rolls Royce Tay 611-8	16440	
	Rolls Royce Tay 611-8	16169	
Gulfstream G-IV		1128	N428BC
	Rolls Royce Tay 611-8	16176	
	Rolls Royce Tay 611-8	16362	
Gulfstream G-IV		1143	N143PK
	Rolls Royce Tay 611-8	16220	
	Rolls Royce Tay 611-8	16215	
Gulfstream G-IV		1166	N166JM
	Rolls Royce Tay 611-8	16439	

¹ This represents the N-number as detailed on the Aircraft Security Agreement