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

In re:

HAWKER BEECHCRAFT, INC., *et al.*,

Reorganized Debtors.

Chapter 11

Case No. 12-11873 (SMB)

Honorable Stuart M. Bernstein

(Jointly Administered)

NOTICE OF LODGING OF PROPOSED STIPULATION AND ORDER

The United States of America hereby lodges with the Court the proposed Stipulation and Order Resolving Claims of the United States of America and the Kansas Department of Health and the Environment (the “Stipulation”), attached hereto as Exhibit A. This Stipulation has been executed by all parties.

The United States respectfully requests that the Court not approve the proposed Stipulation at this time. Notice of the lodging of the proposed Stipulation will be published in the *Federal Register*, following which the United States Department of Justice will accept public comments on the proposed Stipulation for a period of not less than thirty days. After the conclusion of the public comment period, the United States will file with the Court any comments received, as well as the United States’ responses to the comments, and at that time, if appropriate, will request the Court’s approval of the Stipulation.

Dated: November 20, 2017
New York, New York

Respectfully submitted,

JOON H. KIM
Acting United States Attorney for the
Southern District of New York
Attorney for the United States of America

By: /s/ Samuel Dolinger
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Exhibit A

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

In re: HAWKER BEECHCRAFT, INC., <i>et al.</i> , Reorganized Debtors.	Chapter 11 Case No. 12-11873 (SMB) Honorable Stuart M. Bernstein (Jointly Administered)
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**STIPULATION AND ORDER RESOLVING CLAIMS OF
THE UNITED STATES OF AMERICA AND THE
KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT**

The Hawker Parties,¹ on behalf of the Reorganized Debtors (as defined below); the United States of America (the “United States”), on behalf of the United States Environmental Protection Agency (“EPA”); and the Kansas Department of Health and Environment (“KDHE” and, collectively with the Hawker Parties, and the United States on behalf of EPA, the “Parties”), hereby enter into this stipulation and order (the “Stipulation”).

¹ The Hawker Parties are Textron Aviation Inc.; Textron Aviation Defense LLC; Arkansas Aerospace, Inc.; Beech Aircraft Corporation; Beechcraft International Service Company; Beechcraft International Holding LLC; Beechcraft Domestic Service Company; and HBC, LLC, each in its capacity as a Reorganized Debtor or successor-in-interest to a Reorganized Debtor.

RECITALS

Tri-County Public Airport Site

WHEREAS, in March 2000, EPA and Raytheon Aircraft Company (“RAC”), a predecessor to HBC (defined below), entered into an Administrative Order on Consent (the “EPA TCPA Consent Order”) under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (“CERCLA”), 42 U.S.C. § 9601 *et seq.*, pursuant to which order RAC was required to perform certain environmental testing, monitoring, oversight and clean-up activities relating to contamination at the Tri-County Public Airport, located near Herington, Kansas (the “TCPA Site”);

WHEREAS, in November 2000, RAC entered into a Consent Order with KDHE (as amended, the “KDHE TCPA Consent Order”) to perform a remedial investigation/feasibility study at the TCPA Site;

WHEREAS, in September 2004, EPA issued a CERCLA Section 106(a) Unilateral Administrative Order for Removal Response Activities (the “EPA TCPA Administrative Order”) to RAC, directing RAC to excavate and properly dispose of TCE-contaminated soils in the Hangar 1 area of the TCPA Site;

WHEREAS, in a letter to KDHE dated February 2, 2007, Raytheon (defined below) informed KDHE of a definitive agreement to sell its wholly owned subsidiary RAC and stated that Raytheon had agreed to retain certain environmental liabilities associated with RAC, including the work being completed at the TCPA Site;

WHEREAS, as of September 15, 2015, KDHE and Reorganized Debtor Beechcraft Corporation entered into that certain Consent Agreement and Final Order, dated September 15, 2015 (the “KDHE TCPA Final Order” and together with the EPA TCPA Consent Order, the KDHE

TCPA Consent Order and the EPA TCPA Administrative Order, the “TCPA Orders”), providing the selected remedy, including contingencies, for the contamination at the T CPA Site, as specified in the Corrective Action Decision (as defined in the KDHE T CPA Final Order);

WHEREAS, in a letter to KDHE dated October 10, 2016, Raytheon confirmed its commitment to perform or pay for the performance of its indemnification obligations under the Stock Purchase Agreement (defined below) with respect to the KDHE T CPA Final Order, which commitment was accepted by KDHE as constituting adequate financial assurance under the KDHE T CPA Final Order on October 24, 2016;

Main Facility Site

WHEREAS, in June 1995, KDHE and RAC entered into a Consent Order (as amended as of July 8, 2013, the “KDHE Main Facility Consent Order” and together with the T CPA Orders, the “Orders”) under the provisions of the Kansas Environmental Response Act, as amended (K.S.A. 65-3452a, et seq.), pursuant to which RAC was required to perform certain environmental testing, monitoring, oversight and clean-up activities relating to contamination at the Raytheon Aircraft Company Main Facility located at 9709 East Central Street, Wichita, Kansas (the “Main Facility Site”);

Stock Purchase Agreement

WHEREAS, the Hawker Parties represent that on or about December 20, 2006, Raytheon Company, a Delaware corporation (“Raytheon”); Hawker Beechcraft Corporation, a Delaware corporation (“HBI”);² and other companies entered into a Stock Purchase Agreement (as amended, the “Stock Purchase Agreement”) providing for a transaction by which HBI purchased all of the

² On or about February 2, 2007, Hawker Beechcraft Corporation, a Delaware corporation, changed its name to Hawker Beechcraft, Inc.

outstanding equity interests of certain subsidiaries of Raytheon, including RAC³ as a wholly owned subsidiary;

WHEREAS, under the Plan (defined below), HBI (i) assumed the Stock Purchase Agreement pursuant to Section 365 of the Bankruptcy Code, and (ii) assigned its interest in the Stock Purchase Agreement to Reorganized Debtor Beech Enterprises, LLC, a newly formed Delaware limited liability company (“New Holdco”);

WHEREAS, pursuant to the terms of the Stock Purchase Agreement, as amended as of March 12, 2014, Raytheon and certain of its affiliates (collectively, the “Raytheon Indemnitors”) provided an environmental indemnity to HBI, HBC, New Holdco, and each of the other Reorganized Debtors, which indemnity the Reorganized Debtors and KDHE acknowledge covers certain obligations relating to the TCPA Site, but not the Main Facility Site;

Bankruptcy

WHEREAS, on May 3, 2012 (the “Petition Date”), HBI and certain of its affiliated debtors (the “Debtors”)⁴ filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code, as amended (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), commencing bankruptcy cases jointly

³ On or about March 26, 2007, RAC, a Kansas corporation, changed its name to Hawker Beechcraft Corporation (“HBC”).

⁴ The Debtors were Hawker Beechcraft, Inc.; Arkansas Aerospace, Inc.; Beech Aircraft Corporation; Beechcraft Aviation Company; Hawker Beechcraft Acquisition Company, LLC; Hawker Beechcraft Corporation; Hawker Beechcraft Defense Company, LLC; Hawker Beechcraft Finance Corporation; Hawker Beechcraft Global Customer Support Corporation; Hawker Beechcraft Holding, Inc.; Hawker Beechcraft International Delivery Corporation; Hawker Beechcraft International Holding LLC (n/k/a Beechcraft International Holding LLC); Hawker Beechcraft International Service Company (n/k/a Beechcraft International Service Company); Hawker Beechcraft Notes Company; Hawker Beechcraft Quality Support Company; Hawker Beechcraft Regional Offices, Inc. (n/k/a Beechcraft Domestic Service Company); HBC, LLC; and Rapid Aircraft Parts Inventory and Distribution Company, LLC.

administered under the caption *In re Hawker Beechcraft, Inc., et al.*, Case No. 12-11873 (SMB) (collectively, the “Bankruptcy Cases”);

WHEREAS, on or about November 1, 2012, KDHE filed a proof of claim in the Bankruptcy Cases asserting certain monetarily calculated environmental claims against HBC totaling \$113,214,638, including alleged administrative expense priority claims in the amount of \$6,833,529 [Claim No. 2672], which proof of claim was later amended on or about March 15, 2013, to adjust KDHE’s alleged administrative expense priority claims to the amount of \$3,731,689 [Claim No. 2809] (collectively, the “KDHE Claim”);

WHEREAS, the KDHE Claim sets forth testing and site clean-up estimates related to the following four sites: (i) the TCPA Site, (ii) the Main Facility Site, (iii) Hangar 1 at Newton City-County Municipal Airport, located near Newton, Kansas (the “Newton Site”), and (iv) Liberal Mid-America Regional Airport located in Liberal, Kansas (the “Liberal Site” and together with the TCPA Site, the Main Facility Site and the Newton Site, the “Sites”);⁵

WHEREAS, on or about November 6, 2012, EPA filed a proof of claim in the Bankruptcy Cases asserting monetary claims against HBC related to the TCPA Site, and further protectively asserting its rights to enforce the Debtors’ injunctive obligations imposed by court orders or environmental statutes and Debtors’ obligations for environmental liabilities with respect to properties owned or operated by the Debtors, including but not limited to the Main Facility Site [Claim No. 2683] (the “EPA Claim”)⁶;

WHEREAS, on February 1, 2013, the Bankruptcy Court entered an order [Docket No.

⁵ For the avoidance of doubt, the Debtors and the Reorganized Debtors deny any liability with respect to the Newton Site and the Liberal Site (neither of which is the subject of any of the Orders), which are sites included in the KDHE Claim but not the EPA Claim.

⁶ The EPA Claim makes reference to the Debtors’ corporate headquarters located at 10511 E. Central, Wichita, Kansas, which location, for the avoidance of doubt, is included in the term “Main Facility Site” as used herein.

1277] (the “Confirmation Order”) confirming the *Debtors’ Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1306, Ex. A] (the “Plan”);

WHEREAS, on February 15, 2013, the effective date under the Plan (the “Plan Effective Date”) occurred, and the Debtors emerged from bankruptcy as the Reorganized Debtors;

WHEREAS, on the Plan Effective Date, the Debtors filed a *Notice of Filing of Revised Description of Restructuring Transactions* [Docket No. 1305], which described certain transactions to be undertaken pursuant to Article IV.M of the Plan (the “Restructuring Transactions”);

WHEREAS, the Hawker Parties represent that pursuant to the Restructuring Transactions, on and after the Plan Effective Date, among other things, (i) Beech Holdings, LLC, a newly formed Delaware limited liability company (“New Parent”), became Reorganized HBI and (ii) New Parent, Beech Enterprises Holding, LLC, a newly formed Delaware limited liability company (“New Intermediateco”), New Holdco, and each of the Debtors (other than HBI) constitute a Reorganized Debtor as defined in the Plan;

WHEREAS, the Hawker Parties represent that on the Plan Effective Date, Reorganized Debtor HBC changed its name to Beechcraft Corporation;

WHEREAS, pursuant to Articles VIII.A.2 and XIII.G of the Plan, after the Plan Effective Date, the Reorganized Debtors and any successors thereto (including the Hawker Parties) have the exclusive authority to, *inter alia*, settle and compromise any objections to disputed claims, including the EPA Claim and the KDHE Claim, without further notice or approval of the Bankruptcy Court;

WHEREAS, the Hawker Parties represent that Textron Aviation Inc. (“Textron”) is successor in interest through merger to each of New Parent, New Intermediateco and New Holdco;

WHEREAS, the Hawker Parties represent that as of January 1, 2017, Beechcraft Corporation merged into Textron, and accordingly, Textron is the successor in interest to Reorganized Debtor HBC;

WHEREAS, the Hawker Parties represent that since the Plan Effective Date, certain other of the Reorganized Debtors have dissolved, undergone name changes or merged into other entities;

WHEREAS, the Hawker Parties represent that, as of the date hereof, the Hawker Parties constitute each Reorganized Debtor or successor in interest thereto, other than those Reorganized Debtors that have dissolved;

WHEREAS, the Hawker Parties represent that they are authorized to enter into the agreements contained herein and to execute this Stipulation as successors to the Reorganized Debtors;

WHEREAS, the Parties hereto wish to resolve the EPA Claim and the KDHE Claim through (i) the allowance of a general unsecured claim for certain prepetition response costs (including remediation and oversight costs) incurred by the EPA related to the TCPA Site, (ii) the withdrawal of the remainder of the EPA Claim and the KDHE Claim; and (iii) the Hawker Parties' agreement, on behalf of the Reorganized Debtors, that certain rights and claims of EPA and KDHE relating to postpetition response costs (including remediation and oversight costs) and injunctive relief at the Sites remain unaffected by this Stipulation, the Plan, the Confirmation Order, and the Bankruptcy Cases; and

WHEREAS, this Stipulation has been negotiated by the Parties in good faith, settlement of this matter without litigation will avoid prolonged and complicated litigation between the Parties, and the Stipulation is fair, reasonable and in the public interest;

THEREFORE, the Parties hereby stipulate and agree as follows:

**RESOLUTION OF CLAIMS FOR RESPONSE COSTS INCURRED
WITH RESPECT TO THE SITES PRIOR TO THE PETITION DATE**

EPA Allowed Claim

1. The portion of the EPA Claim asserting response costs incurred prior to the Petition Date at the TCPA Site shall be allowed as an Allowed Class 9 General Unsecured Claim (as defined in the Plan) allowed against Debtor HBC in the amount of \$738,336.62 (the “EPA Allowed Pre-Petition Costs Claim”). The EPA Allowed Pre-Petition Costs Claim shall receive the same treatment under the Plan, without discrimination, as all other Allowed Class 9 General Unsecured Claims, with all attendant rights provided by the Bankruptcy Code and other applicable law, and shall not be entitled to any priority in distribution over other Allowed Class 9 General Unsecured Claims. In no event shall the EPA Allowed Pre-Petition Costs Claim be subordinated to any other Allowed Class 9 Unsecured Claim pursuant to any provision of the Bankruptcy Code or other applicable law that authorizes or provides for subordination of allowed claims, including, without limitation, Sections 105, 510, and 726(a)(4) of the Bankruptcy Code.

2. EPA may, in its sole discretion, deposit any portion of any cash distributions it receives on account of the EPA Allowed Pre-Petition Costs Claim, and any portion of the proceeds of any non-cash distributions it receives on account of the EPA Allowed Pre-Petition Costs Claim, into an EPA special account established for the TCPA Site within the Hazardous Substance Superfund, to be retained and used to conduct or finance response actions at or in connection with the TCPA Site, or to be transferred to the Hazardous Substance Superfund.

3. Only the amount of cash received by EPA (and net cash received upon sale of any non-cash distributions) pursuant to this Stipulation, and not the total amount of the EPA Allowed Pre-Petition Costs Claim, shall be credited by EPA to its account for the TCPA Site, which credit

shall reduce the liability of non-settling potentially responsible parties for that site by the amount of the credit.

4. Cash distributions to the United States pursuant to this Stipulation shall be made at <https://www.pay.gov> or by FedWire Electronic Funds Transfer in accordance with instructions, including a Consolidated Debt Collection System (“CDCS”) number, to be provided to the Hawker Parties by the Financial Litigation Unit of the United States Attorney’s Office for the Southern District of New York.

5. At the time of any cash or non-cash distribution pursuant to this Stipulation, the Hawker Parties shall transmit written confirmation of such distribution to the United States at the addresses specified below, with a reference to Bankruptcy Case Number 12-11873, the CDCS number, and Site/Spill ID Number 07XS:

Samuel Dolinger
Assistant United States Attorney
Southern District of New York
86 Chambers Street, 3rd Floor
New York, NY 10007

Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
P.O. Box 7611
Washington, DC 20044
Ref. DOJ File No. 90-11-3-10751

6. Notwithstanding any other provision of this Stipulation, and except as provided under applicable non-bankruptcy law, there shall be no restrictions on the ability and right of EPA to transfer or sell all or a portion of any securities distributed to it pursuant to the Plan, to sell its right to all or a portion of any distributions under the Plan to one or more third parties, or to transfer or sell to one or more third parties all or a portion of the EPA Allowed Pre-Petition Costs Claim.

Covenants Not to Sue; Reservations; Contribution Protection

7. In consideration of the distributions that will be made under the terms of this Stipulation, and except as specifically provided in Paragraphs 10-11, 16, and 18, EPA and KDHE covenant not to file a civil action or take administrative action against the Debtors or the Reorganized Debtors pursuant to Sections 106 or 107 of CERCLA, 42 U.S.C. §§ 9606 or 9607, or any similar state law, for any response costs incurred by EPA or KDHE prior to the Petition Date with respect to the Sites (the “Pre-Petition Costs”).

8. Without in any way limiting the covenant not to sue as set forth in Paragraph 7 (and the reservations thereto as set forth in Paragraphs 10-11, 16, and 18), and notwithstanding any other provision of this Stipulation, the covenant not to sue contained in Paragraph 7 shall also apply to the Debtors’ and the Reorganized Debtors’ respective successors, officers, directors and employees, but only to the extent that the alleged liability of such successor, officer, director or employee is based on its status as and in its capacity as successor, officer, director or employee of a Debtor or Reorganized Debtor.

9. The Hawker Parties, on behalf of the Reorganized Debtors, including any 11 U.S.C. § 1123(b)(3)(B) designee, covenant not to sue and agree not to assert or pursue any claims or causes of action with respect to the Pre-Petition Costs against the United States, including any department, agency, or instrumentality of the United States, or against KDHE, including any department, agency, or instrumentality of the State of Kansas, including, but not limited to: (i) any direct or indirect claim for reimbursement from the Hazardous Substance Superfund established pursuant to 26 U.S.C. § 9507, and (ii) any claim under Sections 107 or 113 of CERCLA, 42 U.S.C. §§ 9607 or 9613, or Section 7002(a) of the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. § 6972(a), or any similar state law. Nothing in this Stipulation shall be deemed to

constitute preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, 40 C.F.R. § 300.700(d), or any similar state law.

10. The covenant set forth in Paragraph 7 extends only to the Debtors and the Reorganized Debtors and the persons described in Paragraph 8 and does not extend to any other person. EPA and KDHE expressly reserve all claims, demands, and causes of action, either judicial or administrative, past, present, or future, in law or equity, which they may have against all other persons, firms, corporations or entities other than the Debtors and the Reorganized Debtors and the persons described in Paragraph 8 for any matter arising at or relating in any manner to the Sites. Further, nothing in this Stipulation diminishes the right of the United States, pursuant to Section 113(f)(2) and (3) of CERCLA, 42 U.S.C. § 9613(f)(2)-(3), to enter into any settlement that gives rise to contribution protection for any person not a party to this Stipulation.

11. The covenant set forth in Paragraph 7 does not pertain to any matters other than those expressly specified therein. The United States and KDHE expressly reserve, and this Stipulation is without prejudice to, all rights against the Debtors and the Reorganized Debtors and the persons described in Paragraphs 7 and 8 with respect to all matters other than those set forth in Paragraph 7. The United States and KDHE also specifically reserve, and this Stipulation is without prejudice to, any action based on a failure to meet a requirement of this Stipulation. In addition, the United States and KDHE reserve, and this Stipulation is without prejudice to, all rights against the Debtors and the Reorganized Debtors with respect to the Sites for liability under federal or state law for acts by the Debtors, the Reorganized Debtors, their successors, or assigns that occur on or after the Petition Date.

12. The Hawker Parties, on behalf of the Reorganized Debtors, expressly reserve all claims, demands, and causes of action, either judicial or administrative, past, present, or future, in

law or equity, which they may have against any party for any matter arising at or relating in any manner to the Sites, provided that nothing in this sentence limits or impairs the covenant set forth in Paragraph 9.

13. Notwithstanding any other provision of this Stipulation, the Hawker Parties, on behalf of the Reorganized Debtors, reserve, and this Stipulation is without prejudice to, claims against the United States or KDHE in the event any claim is asserted by the United States or KDHE against the Debtors or the Reorganized Debtors pursuant to any of the reservations set forth in Paragraph 11, other than for failure to meet a requirement of this Stipulation, but only to the extent that such claims of the Debtors and Reorganized Debtors arise from the same response action or response costs that the United States is seeking pursuant to the applicable reservation. The Hawker Parties, on behalf of the Reorganized Debtors, also specifically reserve, and this Stipulation is without prejudice to, any action based on a failure to meet a requirement of this Stipulation.

14. The Parties hereto agree, and by approving this Stipulation the Bankruptcy Court finds, that this Stipulation constitutes a judicially-approved settlement for purposes of Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), and that the Debtors and the Reorganized Debtors are entitled to protection from contribution actions or claims as provided by Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), or as may be otherwise provided by law, for “matters addressed” in this Stipulation. The “matters addressed” in this Stipulation are the Pre-Petition Costs.

TREATMENT OF OTHER CLAIMS AND RIGHTS

15. Except as to the EPA Allowed Pre-Petition Costs Claim, which shall be recorded on the claims register as an allowed Class 9 claim as set out above in Paragraph 1, the EPA Claim and the KDHE Claim shall be deemed immediately withdrawn, expunged and not refiled, and the

claims register maintained in the Bankruptcy Cases shall be adjusted promptly to so indicate, in accordance with Article VIII.A.2 of the Plan.

16. Notwithstanding the partial withdrawal of the EPA Claim and the withdrawal of the KDHE Claim referred to in Paragraph 15, or any other provision of this Stipulation, the Hawker Parties, on behalf of the Reorganized Debtors, hereby agree as follows:

- a. *Post-Petition Costs.* The Reorganized Debtors and their successors shall not contend that any claim by EPA or KDHE for response costs (including remediation and oversight costs) incurred on or after the Petition Date at the Sites (collectively, the “Post-Petition Costs”), was released, discharged, impaired, or otherwise affected by this Stipulation, the Plan, the Confirmation Order, or these Bankruptcy Cases. Subject to all defenses under applicable environmental laws, the Reorganized Debtors and their successors shall pay the Post-Petition Costs when incurred to the extent such costs are documented and not inconsistent with the National Contingency Plan, codified at 40 C.F.R. Part 300.
- b. *Non-“Claims.”* Nothing in this Stipulation, the Plan, the Confirmation Order, or these Bankruptcy Cases discharges, releases, or precludes EPA or KDHE from asserting against the Reorganized Debtors and their successors any environmental liability that is not a claim, as the term “claim” is defined in 11 U.S.C. § 101(5). The Reorganized Debtors and their successors shall not contend that injunctive obligations, including any causes of action or proceedings against the Reorganized Debtors, indemnitors, insurers or responsible parties by the United States or KDHE under CERCLA, RCRA, or similar state laws seeking to compel the performance of a removal action, remedial action, corrective action, abatement, closure, or any

other cleanup action with respect to the Sites, and including actions to address hazardous substances that have migrated from the Sites, were discharged, impaired, enjoined or otherwise affected in the Bankruptcy Cases.

- c. *Administrative Orders.* The Reorganized Debtors and their successors shall comply with all applicable obligations and requirements applicable to the Debtors, other than with respect to the Pre-Petition Costs, under the Orders. Such obligations under the Orders, including obligations to provide financial assurance, and to perform work and reimburse future response costs of the United States or KDHE pursuant to the Orders, other than with respect to the Pre-Petition Costs, shall not be discharged, impaired, or otherwise affected in any way by this Stipulation, the Plan, the Confirmation Order, or otherwise in these Bankruptcy Cases.

17. This Stipulation in no way impairs the scope and effect of the Debtors' discharge under the Plan and Section 1141 of the Bankruptcy Code as to any third parties, including any Governmental Units (as defined in the Bankruptcy Code) other than the United States, EPA, and KDHE, or as to any claims that are not specifically excepted from discharge as stated in this Stipulation.

18. Nothing in this Stipulation shall be deemed to limit the authority of the United States or KDHE to take any response action under Section 104 of CERCLA, 42 U.S.C. § 9604, or any other applicable statute or regulation, or to alter the applicable legal principles governing judicial review of any action taken by EPA or KDHE pursuant to such authority. Nothing in this Stipulation shall be deemed to limit the information-gathering authority of EPA or KDHE under Sections 104 and 122 of CERCLA, 42 U.S.C. §§ 9604 and 9622, or any other applicable statute or regulation, or to excuse the Reorganized Debtors or their successors from any disclosure or

notification requirements imposed by CERCLA, RCRA, or any other applicable statute or regulation.

JUDICIAL APPROVAL AND PUBLIC NOTICE

19. This Stipulation shall be subject to approval of the Bankruptcy Court under applicable non-bankruptcy law.

20. The United States shall promptly lodge this Stipulation with the Bankruptcy Court and the Stipulation shall thereafter be subject to a period of public comment, not less than thirty days, following publication of notice in the *Federal Register*. After the conclusion of the public comment period, the United States will file with the Bankruptcy Court any comments received, as well as the United States' responses to the comments, and at that time, if appropriate, the United States will request approval of the Stipulation. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Stipulation disclose facts or considerations which indicate that the Stipulation is not in the public interest.

21. If for any reason (a) the Stipulation is withdrawn by the United States as provided in Paragraph 20, or (b) the Stipulation is not approved by the Bankruptcy Court: (i) this Stipulation shall be null and void, and the Parties hereto shall not be bound under the Stipulation or under any documents executed in connection herewith, (ii) the Parties shall have no liability to one another arising out of or in connection with this Stipulation or under any documents executed in connection herewith; and (iii) this Stipulation and any documents executed in connection herewith shall have no residual or probative effect or value.

22. This Stipulation shall be effective upon approval by the Bankruptcy Court pursuant to Paragraphs 19 and 20.

MISCELLANEOUS MATTERS

23. Neither EPA nor KDHE shall refile a proof of claim asserting a claim (within the meaning of 11 U.S.C. § 101(5)) for the matters contained in the EPA Claim and the KDHE Claim, respectively.

24. The Reorganized Debtors' claims agent, Epiq Bankruptcy Solutions, LLC, is directed to amend the claims register in the Bankruptcy Cases to reflect the terms of this Stipulation.

25. This Stipulation shall be binding upon the Reorganized Debtors, the Hawker Parties, and their respective successors and assigns, and on EPA and KDHE and their respective successor agencies.

26. Any communication concerning this Stipulation shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Parties in writing.

If to DOJ

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If to EPA

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Regional Counsel
-and-
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If to KDHE

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If to the Hawker Parties

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-and-

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27. This Stipulation is the complete understanding of the Parties and supersedes any previously executed arrangements, other writings or oral understandings that relate to the subject matter of this Stipulation; provided that the terms of any applicable administrative agreements on consent continue to apply except as otherwise specifically provided herein.

28. Except as otherwise specifically provided herein, the terms and provisions of this Stipulation are intended solely for the benefit of the Parties and their respective successors and permitted assigns, and it is not the intention of the Parties to confer, nor does it confer, third-party beneficiary rights upon any other person or entity.

29. KDHE represents and warrants that it is the lawful holder of the KDHE Claim and has not transferred the KDHE Claim or any portion thereof or rights related thereto.

30. EPA represents and warrants that it is the lawful holder of the EPA Claim and has not transferred the EPA Claim or any portion thereof or rights related thereto.

31. Each individual signing this Stipulation on behalf of any Party acknowledges and, with respect to his or her own signature below, warrants and represents, that he or she is authorized, on behalf of the respective Parties indicated below, to enter into the agreements contained herein and to execute this Stipulation in his or her representative capacity as reflected below.

32. This Stipulation may be executed by facsimile or electronic signature (in PDF format) and in counterparts, each of which (upon execution of a counterpart by each Party), individually or taken together, shall constitute a single integrated agreement, and shall be treated as an original for all purposes.

33. This Stipulation may be modified, amended or, supplemented through a written document signed by the Parties without further order of the Bankruptcy Court, provided that no such modification, amendment or supplement may be made without further order of the Bankruptcy Court if it materially alters the terms of this Stipulation.

34. This Stipulation recognizes the inapplicability of the automatic stay under 11 U.S.C. § 362(b)(4) to the regulatory function of EPA and KDHE with respect to the administrative orders described herein. The Bankruptcy Court has jurisdiction over the subject matter hereof,


pursuant to 28 U.S.C. §§ 157, 1331 and 1334, and 42 U.S.C. §§ 9607 and 9613(b), and shall retain jurisdiction over any disputes or disagreements arising from or relating to this Stipulation, but not over disputes or disagreements relating to the administrative orders described herein.

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FOR THE UNITED STATES OF AMERICA:

Dated: 11/15/2017

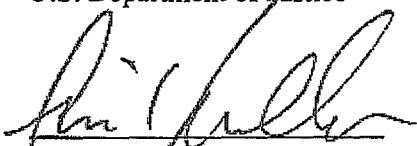
JOON H. KIM
Acting United States Attorney for the
Southern District of New York

By: 
SAMUEL DOLINGER
Assistant United States Attorney
86 Chambers Street, 3rd Floor
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Date: 11/15/2017

By: 
NATHANIEL DOUGLAS
Deputy Section Chief
Environmental Enforcement Section
Environment and Natural Resources
Division
U.S. Department of Justice

Date: 10-17-17

By: 
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Senior Attorney
Environmental Enforcement Section
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FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY:

Date: 10/12/17

By: 

CATHY STEPP
Acting Regional Administrator,
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Date: 10/10/17

By: 

DAVID COZAD
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For the KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT:

Secretary of KDHE
Susan Mosier, MD

and


Patricia Casey
Environmental Attorney

By: *Patricia Casey*

Date: 10/4/17

For the HAWKER PARTIES:

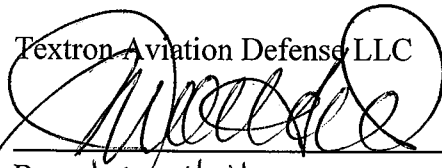
Textron Aviation Inc.



By: Blake A. Meyen
Its: Vice President, General Counsel

Date: 10/4/2017


Textron Aviation Defense LLC



By: Jason Hull
Its: Vice President Contracts

Date: 10/4/2017

Arkansas Aerospace, Inc.



By: Blake A. Meyen
Its: Vice President, General Counsel

Date: 10/4/2017


Beech Aircraft Corporation



By: Blake A. Meyen
Its: Vice President, General Counsel

Date: 10/4/2017

Beechcraft International Service Company




By: Blake A. Meyen
Its: Vice President, General Counsel

Date: 10/4/2017

Beechcraft International Holding LLC

By: Beechcraft International Service Company,
Its Sole Member



By: Blake A. Meyen
Its: Vice President, General Counsel

Date: 10/4/2017

Beechcraft Domestic Service Company



By: Blake A. Meyen
Its: Vice President, General Counsel

Date: 10/4/2017

HBC, LLC

By: Textron Aviation Inc., Its Sole Member



By: Blake A. Meyen
Its: Vice President, General Counsel

Date: 10/4/2017