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

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In re : **Chapter 11 Case No.**
REPUBLIC AIRWAYS SERVICES, INC., : **16-_____ (___)**
Debtor. :
Fed. Tax Id. No. 26-2882301

-----X

In re : **Chapter 11 Case No.**
SHUTTLE AMERICA CORPORATION, : **16-_____ (___)**
Debtor. :
Fed. Tax Id. No. 76-0491397

-----X

In re : **Chapter 11 Case No.**
REPUBLIC AIRLINE INC., : **16-_____ (___)**
Debtor. :
Fed. Tax Id. No. 06-1562737

-----X

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In re : Chapter 11 Case No.
REPUBLIC AIRWAYS HOLDINGS INC., : 16-____ (____)
Debtor. :
Fed. Tax Id. No. 06-1449146
-----x

In re : Chapter 11 Case No.
MIDWEST AIR GROUP, INC., : 16-____ (____)
Debtor. :
Fed. Tax Id. No. 39-1828757
-----x

In re : Chapter 11 Case No.
MIDWEST AIRLINES, INC., : 16-____ (____)
Debtor. :
Fed. Tax Id. No. 39-1440079
-----x

In re : Chapter 11 Case No.
SKYWAY AIRLINES, INC., : 16-____ (____)
Debtor. :
Fed. Tax Id. No. 36-3924344
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**DEBTORS’ MOTION PURSUANT TO FED. R. BANKR. P. 1015(b) FOR ENTRY OF
ORDER DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Republic Airways Services, Inc. (“Republic Services”) and its affiliates, Republic Airways Holdings Inc. (“RAH”); Republic Airline Inc. (“Republic Airline”); Shuttle America Corporation (“Shuttle America”); Midwest Air Group, Inc.; Midwest Airlines, Inc.; and Skyway

Airlines, Inc., as debtors and debtors in the above-captioned chapter 11 cases (collectively with Republic Services, “Republic” or the “Debtors”), respectfully represent:

Background

1. On the date hereof (the “Commencement Date”) each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of title 11, United States Code (the “Bankruptcy Code”). The Debtors are authorized to continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee of unsecured creditors has been appointed in these cases.

Republic’s Business

2. RAH is a holding company whose common stock is traded on the NASDAQ under the symbol “RJET.” RAH provides scheduled regional passenger services through its wholly-owned operating air carrier subsidiaries, Shuttle America Corporation (“Shuttle America”) and Republic Airline Inc. (“Republic Airline”). Republic offers approximately 1,000 flights daily to 105 cities in 38 states, Canada, the Caribbean, and the Bahamas through Republic’s fixed-fee code-share agreements with United Continental Holdings, Inc. (“United”), Delta Air Lines, Inc. (“Delta”), and American Airlines Group, Inc. (“American,” and collectively with United and Delta, the “Codeshare Partners”), operating under the designations of United Express, Delta Connection, and American Eagle, including service out of the Codeshare Partners’ respective hubs and focus cities. Republic’s operational fleet consists of approximately 230 aircraft.

3. As of January 31, 2016, on a consolidated basis, Republic had assets and liabilities of \$3,561,000,000 and \$2,971,000,000 (unaudited). For the year ended December 31,

2015, on a consolidated basis, Republic had operating revenue of \$1,343,900,000, operating expenses of \$1,259,200,000, and a net loss of \$27,117,000 (unaudited). In 2015, Republic carried 21,900,000 passengers an average of 479 miles per passenger, with a passenger load factor of 79.2%.

4. Detailed information regarding Republic's business, capital structure, and the circumstances leading to the commencement of these chapter 11 cases is set forth in the Declaration of Bryan K. Bedford Pursuant to Local Bankruptcy Rule 1007-2, filed with the Court on the Commencement Date.

Jurisdiction

5. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Relief Requested

6. By this motion, Republic seeks entry of an order directing the joint administration of their chapter 11 cases for procedural purposes only pursuant to rule 1015(b) of the Federal Rules of Bankruptcy Procedure. A proposed form of order is annexed hereto.

7. Rule 1015(b) provides, in relevant part, that if "two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates." Fed. R. Bankr. P. 1015(b). The Debtors are "affiliates" as that term is defined in section 101(2) of the Bankruptcy Code. Accordingly, this Court is authorized to grant the requested relief.

8. Republic submits that joint administration of these cases is warranted as it will avoid the preparation, replication, service, and filing, as applicable, of duplicative notices, applications, and orders, thereby saving Republic considerable expense and resources. The relief

requested will not adversely affect the rights of creditors because this motion seeks only the administrative, not substantive, consolidation of the estates. In fact, the reduced costs that will result from the joint administration of these cases will inure to the benefit of all economic parties in interest. Furthermore, the relief requested will relieve the Court of the burden of entering duplicative orders and maintaining duplicative files and will simplify supervision of the administrative aspects of these chapter 11 cases by the Office of the United States Trustee. Notably, each creditor may still assert its claim against a particular estate.

9. Accordingly, Republic respectfully requests that the Court modify the captions of these chapter 11 cases to reflect their joint administration as follows:

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

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In re : **Chapter 11 Case No.**
REPUBLIC AIRWAYS HOLDINGS INC., et al., : **16-_____ (___)**
Debtors. : **(Jointly Administered)**

-----X

10. Republic also requests that the Court direct that in each of the Debtors' cases, a notation substantially similar to the following language be entered on the docket maintained by the Clerk of the Court to reflect the joint administration of these chapter 11 cases:

An Order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of Republic Airways Services, Inc.; Shuttle America Corporation; Republic Airline Inc.; Republic Airways Holdings Inc.; Midwest Air Group, Inc.; Midwest Airlines, Inc.; Skyway Airlines, Inc. The docket in Case No. 16-_____ (___) should be consulted for all matters affecting the case.

11. Republic also seeks authority to file its monthly operating reports required by the *Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees*, issued by the U.S. Trustee, by consolidating the information required for each Debtor in one report that tracks and breaks out the specific information (e.g., receipts, disbursements, etc.) on a debtor-by-debtor basis in each monthly operating report.

12. In view of the benefits attendant to the joint administration of these cases and the absence of harm to any party in interest, Republic submits that the relief requested is appropriate and should be granted in all respects.

Notice

13. Notice of this motion is being provided to (i) the Office of the United States Trustee for the Southern District of New York, (ii) the holders of the ten largest secured claims against Republic (on a consolidated basis), (iii) the holders of the forty largest unsecured claims against Republic (on a consolidated basis), (iv) the attorneys for the agents under Republic's prepetition revolving credit facilities, (v) the attorneys for Republic's Codeshare Partners, (vi) the International Brotherhood of Teamsters, (vii) the Securities and Exchange Commission, (viii) the Internal Revenue Service, and (ix) the Office of the United States Attorney for the Southern District of New York. Republic submits that, in view of the facts and circumstances, such notice is sufficient and no other or further notice need be given.

14. No previous request for the relief sought herein has been made to this or any other court.

WHEREFORE Republic respectfully requests entry of an order substantially in the form annexed hereto granting the relief requested herein and such other and further relief as is just.

Dated: New York, New York
February 25, 2016

/s/ Bruce R. Zirinsky

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

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In re : **Chapter 11 Case No.**
REPUBLIC AIRWAYS SERVICES, INC., : **16-_____ (___)**
Debtor. :
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In re : **Chapter 11 Case No.**
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In re : **Chapter 11 Case No.**
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REPUBLIC AIRWAYS HOLDINGS INC., : **16-_____ (___)**
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In re : **Chapter 11 Case No.**
MIDWEST AIR GROUP, INC., : **16-_____ (___)**
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In re : **Chapter 11 Case No.**
MIDWEST AIRLINES, INC., : **16-_____ (___)**
Debtor. :
Fed. Tax Id. No. 39-1440079

-----x
In re : **Chapter 11 Case No.**
SKYWAY AIRLINES, INC., : **16-_____ (___)**
Debtor. :
Fed. Tax Id. No. 36-3924344

ORDER PURSUANT TO FED. R. BANKR. P. 1015(b)
DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES

A hearing having been held on _____, 2016 (the "Hearing"), to consider the motion, dated February 25, 2016 (the "Motion"),¹ of Republic Airways Services, Inc. and its affiliates, Republic Airways Holdings Inc.; Republic Airline Inc.; Shuttle America Corporation; Midwest Air Group, Inc; Midwest Airlines, Inc.; and Skyway Airlines, Inc., as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively "Republic" or the "Debtors"), for entry of an order pursuant to rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the joint administration of the Debtors' chapter 11 cases for procedural purposes only, all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and consideration of the Motion and the relief requested therein being a core proceeding

1. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the Motion having been provided to (i) the Office of the United States Trustee for the Southern District of New York, (ii) the holders of the ten largest secured claims against Republic (on a consolidated basis), (iii) the holders of the forty largest unsecured claims against Republic (on a consolidated basis), (iv) the attorneys for the agents under Republic's prepetition revolving credit facilities, (v) the attorneys for Republic's Codeshare Partners, (vi) the International Brotherhood of Teamsters, (vii) the Securities and Exchange Commission, (viii) the Internal Revenue Service, and (ix) the Office of the United States Attorney for the Southern District of New York, and it appearing that no other or further notice need be given; and the Declaration of Bryan K. Bedford Pursuant to Local Bankruptcy Rule 1007-2 having been filed with the Court contemporaneously with the Motion (the "Bedford Declaration"); and upon the Motion, the papers in support thereof and the responses thereto, if any, the Bedford Declaration, the record of the Hearing, and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that the above-captioned chapter 11 cases are hereby consolidated for procedural purposes only and shall be jointly administered by the Court; and it is further

ORDERED that nothing contained in this Order shall be deemed or construed as directing or otherwise effecting the substantive consolidation of any of the above-captioned cases; and it is further

ORDERED that the caption of the jointly-administered cases shall read as follows:

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

-----x

In re : **Chapter 11 Case No.**
REPUBLIC AIRWAYS HOLDINGS INC., et al., : **16-_____ (___)**
Debtors. : **(Jointly Administered)**

-----x

; and it is further

ORDERED that a docket entry shall be made in the chapter 11 cases of Republic Airways Services, Inc.; Republic Airline Inc.; Shuttle America Corporation; Midwest Air Group, Inc.; Midwest Airlines, Inc.; and Skyway Airlines, Inc. substantially as follows:

An Order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of Republic Airways Services, Inc.; Shuttle America Corporation; Republic Airline Inc.; Republic Airways Holdings Inc.; Midwest Air Group, Inc.; Midwest Airlines, Inc.; Skyway Airlines, Inc. The docket in Case No. 16-_____ (___) should be consulted for all matters affecting the case.

; and it is further

ORDERED that the Debtors may file their monthly operating reports required by the *Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees*, issued by the Executive Office of the United States Trustee (revised November 27, 2013), by consolidating the information required for each debtor in one report that tracks and breaks out the specific information (e.g., receipts, disbursements, etc.) on a debtor-by-debtor basis in each monthly operating report; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: New York, New York
_____, 2016

United States Bankruptcy Judge