

**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., : **16-10429 (SHL)**
Debtors.¹ : **(Jointly Administered)**

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**ORDER PURSUANT TO 11 U.S.C. §§ 363(b) & 365(a) AND FED. R. BANKR. P. 6006
(I) AUTHORIZING ASSUMPTION OF AIRCRAFT LEASES AS AMENDED (N109HQ,
N110HQ AND N111HQ) AND (II) APPROVING ALLOWED UNSECURED CLAIM**

Upon the motion dated October 10, 2016 (the “Motion”)² of Republic Airways Holdings Inc. (“RAH”), and certain of its wholly-owned direct and indirect subsidiaries, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively with RAH, “Republic” or the “Debtors”) pursuant to sections 363(b) and 365(a) of title 11, United States Code (the “Bankruptcy Code”), Fed. R. Bankr. P. 6006, and Local Bankruptcy Rule 6006-1, for entry of an order (i) authorizing assumption of unexpired aircraft Leases among the Debtors, Wells Fargo Delaware Trust Company, National Association, and MetLife Capital, Limited Partnership, as amended by the Amendments and (ii) approving the Allowed Unsecured Claim, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference M-431, dated February 1, 2012 (Preska, C.J.); and consideration of the Motion and the requested relief being a core proceeding the Bankruptcy

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1. The Debtors in these chapter 11 cases are the following entities: Republic Airways Services, Inc.; Shuttle America Corporation; Republic Airline Inc.; Republic Airways Holdings Inc.; Midwest Air Group, Inc.; Midwest Airlines, Inc.; and Skyway Airlines, Inc. The Debtors’ employer tax identification numbers and addresses are set forth in their respective chapter 11 petitions.
 2. Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to it in the Motion.

Court can determine pursuant to 28 U.S.C. § 157(b)(2); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with the Order Pursuant to 11 U.S.C. § 105(a) & Fed. R. Bankr. P. 1015(c), 2002(m) & 9007 Implementing Certain Notice and Case Management Procedures (ECF No. 70), and it appearing that no other or further notice need be provided; 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 Motion is granted to the extent set forth herein; and it is further

ORDERED that pursuant to section 363(b) of the Bankruptcy Code, Republic Airline Inc. is authorized to enter into the Amendments and perform all obligations thereunder; and it is further

ORDERED that, pursuant to section 365(a) of the Bankruptcy Code, the Leases, as amended by the Amendments, are hereby assumed effective upon entry of this Order (the “Effective Date”). In accordance with the Amendments, the Debtors shall not be required to make further payment of rent under the Leases for the period prior to January 9, 2017; and it is further

ORDERED that Republic Airline is authorized and shall pay to the Aircraft Parties (a) the Cure Amount of \$130,763.93; and (b) any reasonable fees and expenses of the Aircraft Parties including, without limitation, legal fees, inspection fees and trustee fees, in connection with (i) chapter 11 cases, to the extent provided for under the Leases and Operative Agreements (as such term is defined in the Leases), from October 1, 2016 through the Effective

Date, and (ii) the preparation, negotiation, execution and delivery of the Amendments (collectively, the items listed in clauses (i) and (ii), the “Additional Expenses”). The Debtors shall not be required to make further payment in excess of the Cure Amount and the Additional Expenses as a condition to assumption of the Leases, as amended by the Amendments; and it is further

ORDERED that as the Aircraft Parties are consenting to the assumption of the Leases, as amended by Amendments, no adequate assurance of future performance by the Debtors is required under section 365(b) of the Bankruptcy Code; and it is further

ORDERED that Republic is authorized to take any actions as are necessary or appropriate to implement and effectuate the assumption of the Leases, as amended by the Amendments; and it is further

ORDERED that MetLife (for itself and for the claims accruing for the account of Owner Trustee) is hereby granted allowed prepetition general unsecured claims against Republic Airline Inc. and RAH each in the amount of (i) \$4,933,373.44 with respect to the Lease for the aircraft bearing U.S. reg. no. N109HQ, (ii) \$4,973,878.42 with respect to the Lease for the aircraft bearing U.S. reg. no. N110HQ , and (iii) \$4,973,878.42 with respect to the Lease for the aircraft bearing U.S. reg. no. N111HQ, and each of the allowed claims is not subject to offset, subordination, attack or other challenge; and it is further

ORDERED that any proofs of claim filed by the Aircraft Parties in the chapter 11 cases in connection with the Leases (including without limitation Claim Nos. 710, 794, 795, 796, 797, 798, 799, 800, 802, 803, 804 and 805) shall be deemed automatically amended to reflect the terms of this Order (and any prepetition claims in excess of such amounts shall be deemed to

have been withdrawn), all without the need for any further action by any party and the Debtors' claims agent shall update the claims register in accordance with this Order; and it is further

ORDERED that notwithstanding the provisions of Bankruptcy Rule 6004, this Order shall not be stayed for 14 days after the entry hereof, but shall be effective and enforceable immediately upon entry by this Court; and it is further

ORDERED that notice of the Motion satisfies Fed. R. Bankr. P. 6006 and Local Bankruptcy Rule 6006-1; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: New York, New York
October 21, 2016

/s/ Sean H. Lane
United States Bankruptcy Judge

Exhibit A

Amendment No. 1 to Lease Agreement (N109HQ)

[REDACTED]

Exhibit B

Amendment No. 1 to Lease Agreement (N110HQ)

[REDACTED]

Exhibit C

Amendment No. 1 to Lease Agreement (N111HQ)

[REDACTED]