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

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In re : Chapter 11
REPUBLIC AIRWAYS HOLDINGS INC., et al., : Case No. 16-10429 (SHL)
Debtors. : (Jointly Administered)

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**LIMITED OBJECTION OF AGÊNCIA ESPECIAL DE FINANCIAMENTO
INDUSTRIAL – FINAME TO DEBTORS’ MOTION PURSUANT TO SECTIONS 105(a)
AND 363(b) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 6007 FOR
APPROVAL OF (I) MERGER OF SHUTTLE AMERICA CORPORATION INTO
REPUBLIC AIRLINE INC., AND (II) SURRENDER OF THE SHUTTLE AMERICA
CORPORATION AIR CARRIER CERTIFICATE**

Agência Especial de Financiamento Industrial – FINAME (“FINAME”), by and through
its undersigned counsel, hereby submits this limited objection to the *Debtors’ Motion Pursuant
to Sections 105(a) and 363(b) of the Bankruptcy Code and Bankruptcy Rule 6007 for Approval*

of (I) Merger of Shuttle America Corporation into Republic Airline Inc., and (II) Surrender of the Shuttle America Corporation Air Carrier Certificate [Docket No. 1165] (the “Motion”) and respectfully represents as follows:¹

LIMITED OBJECTION

1. FINAME has aggregate claims in excess of \$1 billion against Republic Airline and Shuttle America secured by sixty-five (65) Embraer-manufactured aircraft (the “Aircraft”) and related assets of the Debtors’ estates constituting “equipment” as described in section 1110(a)(3)(A)(i) and (B) of the Bankruptcy Code.

2. On April 4, 2016, the Debtors filed a Notice of Election Pursuant to 11 U.S.C. § 1110(a) With Respect to BNDES Financed Aircraft [Docket No. 374], agreeing to perform all obligations under the aircraft financing and security agreements in respect of the Aircraft and related collateral (the “Agreements”) in accordance with section 1110(a) of the Bankruptcy Code.

3. FINAME does not oppose the Court authorizing the Debtors to take the necessary steps to implement the Merger and consolidate the Debtors’ flying operations under a single Federal Aviation Administration-issued Air Carrier Certificate. However, it does object to the relief requested in the Motion to the extent that such relief could be construed to effect a waiver of FINAME’s rights and remedies (or those of the relevant security trustees) under the Agreements or section 1110 of the Bankruptcy Code.

4. Paragraph 2 of the Proposed Order authorizes the Debtors to effect the Merger. Paragraph 6 would deem a failure to timely object to the Motion to be consent to the requested

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion.

relief. Because Republic Airline and Shuttle America have promised in the Agreements not to merge without satisfying certain conditions, FINAME requests that any order entered make clear that the relief granted thereby does not affect (or create a waiver) of the rights or remedies of FINAME (or the relevant security trustees) under the Agreements or under section 1110 of the Bankruptcy Code, including in respect of the Merger.

CONCLUSION

WHEREFORE, FINAME respectfully requests that if this Court enters an order in respect of the relief requested in the Motion, that such order make clear that it does not affect (or waive) the rights or remedies of FINAME (or the relevant security trustees) under their contracts with the Debtors or under section 1110 of the Bankruptcy Code, and that the Court grant any such other relief as the Court deems appropriate.

Dated: November 21, 2016
New York, New York

Respectfully submitted,

By: /s/ Richard A. Graham
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