

Hearing Date & Time: March 16, 2017 at 11:00 a.m. (Eastern Time)
Objection Deadline: March 9, 2017 at 4:00 p.m. (Eastern Time)

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*Attorneys for the Debtors
and Debtors in Possession*

**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)**

-----X

**NOTICE OF HEARING ON DEBTORS' MOTION FOR AN ORDER PURSUANT
TO 11 U.S.C. § 105 AND FED. R. BANKR. P. 9019 APPROVING SETTLEMENT
AGREEMENT REGARDING SURRENDERED AIRCRAFT (N137HQ)**

PLEASE TAKE NOTICE that a hearing will be held at **11:00 a.m. (Eastern
Time) on March 16, 2017** before the Honorable Sean H. Lane, United States Bankruptcy Judge,
United States Bankruptcy Court for the Southern District of New York, One Bowling Green,

1. The Debtors in these chapter 11 cases are the following entities: Republic Airways Holdings Inc.; Republic Airways Services, Inc.; Republic Airline Inc.; Shuttle America Corporation; 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.

New York, New York 10004 to consider *Debtors' Motion for an Order Pursuant to 11 U.S.C. § 105 and Fed. R. Bankr. P. 9019 Approving Settlement Agreement Regarding Surrendered Aircraft (N137HQ)* (the "Motion").

PLEASE TAKE FURTHER NOTICE that any responses or objections (the "Objections") to the Motion shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, shall be filed with the Bankruptcy Court (a) by attorneys practicing in the Bankruptcy Court, including attorneys admitted pro hac vice, electronically pursuant to the Case Management Procedures approved by the Court (ECF No. 70) and in accordance with General Order M-399 (which can be found at <http://www.nysb.uscourts.gov/sites/default/files/m399.pdf>), and (b) by all other parties in interest, on a CD-ROM, in text-searchable portable document format (PDF) (with a hard copy delivered directly to Chambers), in accordance with the customary practices of the Bankruptcy Court and General Order M-399, to the extent applicable, and shall be served in accordance with General Order M-399 on (i) the attorneys for the Debtors, Zirinsky Law Partners PLLC, 375 Park Avenue, Suite 2607, New York, New York 10152 (Attn: Bruce R. Zirinsky, Esq. (bzirinsky@zirinskylaw.com), Sharon J. Richardson, Esq. (srichardson@zirinskylaw.com), and Gary D. Ticoll, Esq. (gticoll@zirinskylaw.com)) and Hughes Hubbard & Reed LLP, One Battery Park Plaza, New York, New York 10004 (Attn: Christopher K. Kiplok, Esq. (chris.kiplok@hugheshubbard.com) and Gabrielle Glemann, Esq. (gabrielle.glemann@hugheshubbard.com)), (ii) the Office of the United States Trustee, 201 Varick Street, Suite 1006, New York, New York 10014 (Attn: Brian Masumoto, Esq.), and (iii) counsel to the Official Committee of Unsecured Creditors, Morrison & Foerster LLP, 250 West 55th Street, New York, New York 10019 (Attn: Brett H. Miller, Esq. (bmiller@mofo.com)),

Todd M. Goren, Esq. (tgoren@mofo.com), and Erica J. Richards, Esq. (erichards@mofo.com)),
so as to be filed and received no later than **March 9, 2017 at 4:00 p.m. (Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that if no Objections are timely filed and
served, the relief requested in the Motion may be granted with no further notice or opportunity to
be heard.

Dated: New York, New York
February 23, 2017

/s/ Gary D. Ticoll
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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 HOLDINGS INC., et al., : **16-10429 (SHL)**
Debtors.¹ : **(Jointly Administered)**

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**DEBTORS' MOTION FOR AN ORDER PURSUANT TO 11
U.S.C. § 105 AND FED. R. BANKR. P. 9019 APPROVING SETTLEMENT
AGREEMENT REGARDING SURRENDERED AIRCRAFT (N137HQ)**

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.

TO THE HONORABLE SEAN H. LANE
UNITED STATES BANKRUPTCY JUDGE:

Republic Airways Holdings Inc. (“RAH”) and those of its subsidiaries that are debtors and debtors in possession in these proceedings (together with RAH, “Republic” or the “Debtors”) respectfully represent:

Procedural Background

1. On February 25, 2016 (the “Commencement Date”), the Debtors each commenced in this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors are authorized to continue to operate their businesses and manage their properties as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

2. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

3. On March 4, 2016, the United States Trustee formed an Official Committee of Unsecured Creditors in the Debtors’ cases. No trustee or examiner has been appointed in the Debtors’ cases.

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 motion 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, the Debtors request entry of an order substantially in the form annexed hereto, pursuant to sections 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, approving that certain settlement agreement, dated February 23, 2017 (the “Settlement Agreement”) by and between Republic Airways Holdings Inc. (“RAH”), Republic Airline Inc. (“Republic Airline”), Wells Fargo Bank Northwest, N.A. (“Security Trustee”), and NXT Capital, LLC (“NXT,” and together with Security Trustee, the “Claimants”).

Background

7. Republic Airline granted to the Claimants a security interest in the below aircraft (the “Aircraft”) pursuant to that certain security agreement, dated December 29, 2014 (together with all other related documents, the “Aircraft Agreements”).

U.S. Registration Number	MSN	ESN #1	ESN #2
N137HQ	17000231	GE-193617	GE-193618

Among the other Aircraft Agreements, RAH, as guarantor, entered into that certain Guaranty Agreement (N137HQ), dated as of December 29, 2014 (the “Guarantee”), pursuant to which RAH guaranteed the obligations owed to the Claimants by Republic Airline under the Aircraft Agreements.

8. On April 25, 2016, the Debtors and the Claimants entered that certain *Stipulation and Order Approving Section 1110(b) Extension for N137HQ*, which was approved by the Bankruptcy Court on May 10, 2016 (the “1110 Stipulation,” ECF No. 549).

9. On September 2, 2016, the Debtors filed the *Debtors' Fourth Omnibus Motion Pursuant to 11 U.S.C. § 363(b), 365 & 1110 and Fed. R. Bankr. P. 6006 for an Order Authorizing Debtors to (I) Transfer Title to and Surrender Certain Owned Aircraft and (II) Reject Certain Aircraft Leases* (the "Fourth Omnibus Motion," ECF No. 960) seeking authority to surrender the Aircraft and transfer title to the Aircraft to the Claimants. On September 22, 2016, the Bankruptcy Court entered an order granting the Fourth Omnibus Motion (ECF No. 1038). The effective date of the surrender of the Aircraft was September 22, 2016.

10. An Aircraft Bill of Sale from Republic Airline, as seller, conveying title to the Aircraft to Security Trustee, as purchaser, was filed with the Federal Aviation Administration on November 30, 2016.

11. Wells Fargo filed the proofs of claim numbered 1007 and 1182 against RAH and Republic Airline, respectively, asserting unliquidated claims with respect to the Aircraft and Aircraft Agreements (together, the "Wells Fargo Claims"). NXT filed the proofs of claim numbered 1296 and 1171 against RAH and Republic Airline, respectively, asserting an unsecured claim in the amount of \$15,540,850.65 with respect to the Aircraft and Aircraft Agreements (together, the "NXT Claims," and collectively with the Wells Fargo Claims, the "Asserted Claims"). Republic Airline also scheduled a secured claim in the amount of \$16,189,212.07 for NXT.

The Settlement Agreement

12. After arm's-length negotiations, the Debtors and Claimants have agreed, subject to this Court's approval, to enter into the Settlement Agreement² to consensually resolve the Asserted Claims by allowing to NXT general unsecured claims in the amount of \$4,000,000 against each of RAH and Republic Airline (together, the "Allowed Claims"). The Allowed Claims shall not be subject to any challenge, reduction, counterclaim, or offset for any reason. Furthermore, in the Settlement Agreement, the Claimants provide a general release and waiver of claims in connection with the Asserted Claims, the Aircraft Agreements, the Aircraft, the Guarantee, and the 1110 Stipulation.

Resolution of the Asserted Claims Is Fair and Equitable, Reasonable, and In The Best Interests of the Estates

13. To approve a compromise or settlement under Bankruptcy Rule 9019(a), the Court should find that the compromise or settlement is fair and equitable, reasonable, and in the best interests of the debtor's estate. *See, e.g., In re Ionosphere Clubs, Inc.*, 156 B.R. 414, 426 (S.D.N.Y. 1993), *aff'd*, 17 F.3d 600 (2d Cir. 1994). In determining whether to approve the settlement, the Court must make an independent determination that the settlement is fair and reasonable. *Nellis v. Shugrue*, 165 B.R. 115, 122-23 (S.D.N.Y. 1994). The Court may consider the opinions of the trustee or debtor in possession that the settlement is fair and reasonable. *Id.*; *In re Purofied Down Prods. Corp.*, 150 B.R. 519, 522 (S.D.N.Y. 1993). In addition, the Court may exercise its discretion "in light of the general public policy favoring settlements." *In re Hibbard Brown & Co.*, 217 B.R. 41, 46 (Bankr. S.D.N.Y. 1998); *see also Nellis v. Shugrue*, 165

2. In the event of any inconsistency between the summary of the Settlement Agreement contained herein and the terms and provisions of the Settlement Agreement, the terms of the Settlement Agreement shall control.

B.R. at 123 (“[T]he general rule [is] that settlements are favored and, in fact, encouraged by the approval process.”).

14. In determining whether to approve a proposed settlement, the Court need not decide the numerous issues of law and fact raised by the settlement, but rather should “canvass the issues and see whether the settlement falls below the lowest point in the range of reasonableness.” *In re W.T. Grant Co.*, 699 F.2d 599, 608 (2d Cir. 1983) (internal quotations omitted); *see also In re Purofied Down Prods.*, 150 B.R. at 522 (“[T]he court need not conduct a ‘mini-trial’ to determine the merits of the underlying litigation.”).

15. “The ‘reasonableness’ of [a] settlement depends upon all factors, including probability of success, the length and cost of the litigation, and the extent to which the settlement is truly the product of ‘arms-length’ bargaining, and not fraud or collusion.” *In re Ionosphere Clubs, Inc.*, 156 B.R. at 428.

16. The Debtors believe, in their reasonable business judgment, that the proposed settlement with Claimants is in the best interests of their estates and creditors, and constitutes an efficient and cost-effective method for resolving the Claims. The settlement reduces the Asserted Claims—which were asserted in the aggregate amount of approximately \$15.5 million—to allowed unsecured claims totaling \$4 million. The Debtors submit that it would have been difficult to achieve resolution of the asserted claims on better terms than those provided in the Settlement Agreement. The proposed settlement will avoid the significant time and resources the Debtors otherwise would have to expend on resolving the claims.

17. For these reasons, the Debtors submit that the proposed settlement is in the best interest of their estates and stakeholders, is well within the range of reasonableness, and thus should be approved.

Notice

18. Notice of this motion is being provided in accordance with the Court's Case Management Order, dated March 2, 2016 (ECF No. 70), and upon filing with the Court, the motion will be available for inspection on Republic's Case Website (located at <https://cases.primeclerk.com/RJET/>). Republic submits that no other or further notice need be given.

WHEREFORE, the Debtors request entry of the order annexed hereto, granting the relief requested herein and such other and further relief as is just.

Dated: New York, New York
February 23, 2017

/s/ Gary D. Ticoll
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Attorneys for the Debtors and Debtors in Possession

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

-----x

In re : **Chapter 11 Case No.**
REPUBLIC AIRWAYS HOLDINGS INC., et al., : **16-10429 (SHL)**
Debtors.¹ : **(Jointly Administered)**

-----x

**ORDER PURSUANT TO 11 U.S.C. § 105 AND FED. R. BANKR. P. 9019 APPROVING
SETTLEMENT AGREEMENT REGARDING SURRENDERED AIRCRAFT (N137HQ)**

A hearing having been held on March 16, 2017 (the “Hearing”), to consider the motion, dated February 23, 2017 (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 section 105(a) of the Bankruptcy Code and Rule 9019 of the Federal Rules of Bankruptcy Procedure, approving the Settlement Agreement with Wells Fargo Bank Northwest, N.A. (“Security Trustee”), and NXT Capital, LLC (“NXT,” and together with Security Trustee, the “Claimants”) as more fully described 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 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 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

1. The Debtors in these chapter 11 cases are the following entities: Republic Airways Holdings Inc.; Republic Airways Services, Inc.; Republic Airline Inc.; Shuttle America Corporation; 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. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Motion.

in accordance with the Court's Case Management Order dated March 2, 2016 (ECF No. 70), and it appearing that no other or further notice need be given; and the Court having considered the Motion, the papers in support thereof, and all of the proceedings had before the Court; and the appearances of all interested parties having been noted in the record of the Hearing; and after due deliberation and sufficient cause appearing therefor, and for reasons stated in the record of the Hearing; 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 Settlement Agreement is approved in its entirety; and it is further

ORDERED that, in accordance with the Settlement Agreement, each of Claims Nos. 1171 and 1296 shall be, and each hereby are, allowed as general unsecured claims in the aggregate amount of \$4,000,000 (together, the "Allowed Claims"); and it is further

ORDERED that the Allowed Claims shall not be subject to any challenge, reduction, counterclaim or offset for any reason; and it is further

ORDERED that the claims agent is authorized and directed to update the claims register in accordance with this Order and the Settlement Agreement; and it is further

ORDERED that the Debtors are authorized to take any actions as are necessary or appropriate to implement and effectuate the terms of this Order; 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

_____, 2017

Honorable Sean H. Lane
United States Bankruptcy Judge

EXHIBIT A

Settlement Agreement

SETTLEMENT AGREEMENT

Settlement Agreement, dated as of February 23, 2017 (this “Agreement”), between Republic Airways Holdings Inc. (“RAH”), Republic Airline Inc. (“Republic Airline,” and together with RAH, the “Republic Parties”), Wells Fargo Bank Northwest, N.A. (“Security Trustee”), and NXT Capital, LLC (“NXT,” and together with Security Trustee, the “Claimants,” and the Claimants collectively with the Republic Parties, the “Parties,” and each a “Party”).

WHEREAS, on February 25, 2016 (the “Commencement Date”), each of RAH and certain of its direct and indirect subsidiaries, including Republic Airline, as debtors and debtors in possession (collectively, the “Debtors”), commenced voluntary cases under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) jointly administered under Case No. 16-10429 (SHL) (the “Bankruptcy Cases”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”);

WHEREAS, Republic Airline granted to the Claimants a security interest in the following aircraft (the “Aircraft”) pursuant to a Security Agreement, dated December 29, 2014 (together with and all related documents, the “Aircraft Agreements”):

U.S. Registration Number	MSN	ESN #1	ESN #2
N137HQ	17000231	GE-193617	GE-193618

Among the other Aircraft Agreements, RAH, as guarantor, entered into that certain Guaranty Agreement (N137HQ), dated as of December 29, 2014 (the “Guarantee”), pursuant to which RAH guaranteed the obligations owed to the Claimants by Republic Airline under the Aircraft Agreements.

WHEREAS, on April 25, 2016, the Debtors and the Claimants entered that certain *Stipulation and Order Approving Section 1110(b) Extension for N137HQ*, approved by the Bankruptcy Court on May 10, 2016 (the “1110 Stipulation,” ECF No. 549).

WHEREAS, on September 2, 2016, the Debtors filed the *Debtors’ Fourth Omnibus Motion Pursuant to 11 U.S.C. § 363(b), 365 & 1110 and Fed. R. Bankr. P. 6006 for an Order Authorizing Debtors to (I) Transfer Title to and Surrender Certain Owned Aircraft and (II) Reject Certain Aircraft Leases* (the “Motion,” ECF No. 960) seeking authority to surrender the Aircraft and transfer title to the Aircraft to the Claimants. On September 22, 2016, the Bankruptcy Court entered an order granting the Motion (ECF No. 1038) (the “Abandonment Order”). The effective date of the surrender of the Aircraft was September 22, 2016;

WHEREAS, on November 30, 2016, an Aircraft Bill of Sale from Republic Airline, as seller, conveying title to the Aircraft to Security Trustee, as purchaser, was filed with the Federal Aviation Administration;

WHEREAS, the Claimants have filed the proofs of claim and the Debtors have scheduled claims for the Claimants, or both, (collectively, the “Claims”), including the claims in the asserted amounts as set forth on **Exhibit “A”**;

WHEREAS, the Debtors and the Claimants, pursuant to this Agreement, wish to settle the Claims of the Claimants against Debtors.

NOW, THEREFORE, the parties hereto agree as follows:

1. Approval. Within ten business days after the execution of this Agreement, the Debtors will file a motion (the “Approval Motion”) with the Bankruptcy Court seeking an order in form and substance reasonably acceptable to the Claimants (the “Approval Order”) authorizing the Debtors to enter into the settlement contemplated herein and to allow the Allowed Claims (defined below) as general unsecured claims for all purposes in the Debtors’ Bankruptcy Cases.

2. Effective Date. This Agreement shall be effective on the date the Approval Order has been entered and is not stayed or reversed (the “Effective Date”).

3. Pre-Petition, General Unsecured Claims. In full and final satisfaction of all claims of the Claimants against Debtors, effective on the Effective Date, the Claimants shall have allowed general unsecured claims in the amounts set forth on **Exhibit “A”** hereto against the Debtors set forth in **Exhibit “A”** hereto (the “Allowed Claims”). The Allowed Claims shall not be, either directly or indirectly (y) subject to any challenge, reduction, counterclaim or offset for any reason and (z) subject to any avoidance or recovery actions under Sections 502(d), 542, 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code.

4. Release and Withdrawal of Claims. With the exception of the right to receive distributions on the Allowed Claims, effective on the Effective Date, Claimants shall fully, finally and forever waive, release and renounce, and discharge the Debtors, their principals, officers, directors, agents, assigns, administrators, and representatives, from, any and all claims (whether prepetition unsecured, priority, administrative or postpetition), causes of action, suits, debts, obligations, liabilities, accounts, damages, defenses, or demands whatsoever, known or unknown, asserted or unasserted, in connection with the Claims, Aircraft Agreements, the Aircraft, the Guarantee, and the 1110 Stipulation; *provided, however*, that nothing herein shall affect any continuing obligations of the Debtors under the Abandonment Order to (i) respond to reasonable inquiries regarding the Aircraft Records (as defined in the Abandonment Order) at no additional expense to the Debtors or (ii) cooperate reasonably with respect to the execution of or provision of information required for documentation to be filed with the FAA in connection with the Aircraft at no additional expense to the Debtors. On the Effective Date, Claims Nos. 1007 and 1182 shall be deemed to be, and hereby shall be, withdrawn with prejudice (without any further action needed on the part of any of the Parties hereto).

5. Claims Agent Instructions. As soon as reasonably practicable after the Effective Date, Prime Clerk LLC, as the Debtors’ claims and noticing agent, shall update the official claims registers for the Debtors to reflect (a) the Allowed Claims as being fully allowed, general

unsecured claims of the respective Debtors as provided herein and (b) the withdrawal with prejudice of Claim Nos. 1007 and 1182.

6. Miscellaneous.

(a) **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(b) **Disputes.** All disputes arising under or in connection with this Agreement shall, prior to the issuance of a final decree from the Bankruptcy Court closing the Bankruptcy Cases, be resolved by the Bankruptcy Court, which shall have exclusive jurisdiction over such disputes. After such final decree has been issued, the Parties hereto agree that the appropriate and exclusive forum for any legal action or proceeding arising out of this Agreement shall be the U.S. District Court for the Southern District of New York or the courts of the State of New York sitting in the City and County of New York, and each of the Parties hereto irrevocably submits itself and its property to the exclusive jurisdiction of such courts and agrees to comply with all requirements necessary to give such courts jurisdiction. Each of the Parties hereto irrevocably waives any objection that it may now or hereafter have to the jurisdiction or venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient forum. Each Party further agrees, to the extent permitted by law, that final and non-appealable judgment against it in any action or proceeding contemplated above shall be conclusive and may be enforced in any other jurisdiction within or outside the United States by suit on the judgment, a certified or exemplified copy of which shall be conclusive evidence of the fact and the amount of indebtedness. THE PARTIES HERETO WAIVE ANY AND ALL RIGHTS THAT THEY MAY HAVE TO A JURY TRIAL WITH RESPECT TO DISPUTES ARISING OUT OF THIS AGREEMENT TO THE FULL EXTENT PERMITTED BY LAW.

(c) **Assignment.** Subject to the next sentence, the rights and obligations of each of the parties hereto under this Agreement may not be assigned, transferred or novated without the prior written consent of the other parties, which consent may not be unreasonably withheld. Nothing contained in this paragraph 6(c) shall affect any right of any Claimant to assign and/or participate, in whole or in part, any of the Allowed Claims subject to (i) the terms of that certain Amended Final Trading Order Establishing Notification Procedures and Approving Restrictions on Certain transfers of Claims and Interest in the Debtors' Estates, dated July 26, 2016 [Docket No. 835]; (ii) any other order of the Bankruptcy Court; (iii) the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and applicable law; and (iv) any prospective purchaser, assignee or participant of the Allowed Claim (or any portion of the Allowed Claims) agreeing to be subject to the terms of this Agreement to the extent related to the claims being purchased and/or participated.

(d) **Counterparts.** This Agreement may be executed in one or more counterparts (including by facsimile or electronic (e.g., pdf) transmission), each of which together or separately shall constitute an original and, which taken together, shall be considered one and the same binding agreement.

(e) **Amendments; Waivers.** No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by each of the Parties hereto and

no waiver of any provision of this Agreement, nor consent to any departure by any of the Parties hereto shall be effective unless it is in writing and signed by the Party affected thereby, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(f) **Mutual Representations.** Each Party hereto represents and warrants: (i) that such Party has the authority to execute and deliver this Agreement; (ii) that such Party has obtained all consents necessary to execute and deliver this Agreement and to perform such Party's obligations hereunder; (iii) that its respective signatory is duly authorized to execute and deliver this Agreement on behalf of such Party; and (iv) that, as of the Effective Date, any of the claims (to the extent that it is the holder or obligor of such claim) waived, released or affected by the terms hereof have not been assigned or otherwise transferred to any other person or entity (unless such person or entity has agreed to be bound by the terms hereof).


6.2 Security Trustee Matters. By executing this Agreement, NXT (a) hereby instructs the Security Trustee, in its capacity as security trustee, to execute this Agreement and undertake the transactions contemplated herein and (b) hereby agree to indemnify, subject to the terms of and the limitations set forth in the respective operative trust agreements, the Security Trustee for executing this Agreement and effecting the transactions contemplated herein.

6.3 Binding Agreement. This Agreement shall inure to the benefit of the parties hereto together with their respective successors and permitted assigns.


[This space intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first set forth above.

REPUBLIC AIRWAYS HOLDINGS INC.

By: 
Name: **Ethan J. Blank**
Title: **VP General Counsel**

REPUBLIC AIRLINE INC.

By: 
Name: **Ethan J. Blank**
Title: **VP General Counsel**

NXT CAPITAL, LLC

By: _____
Name:
Title:

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION, as Security Trustee

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of
the date first set forth above.


REPUBLIC AIRWAYS HOLDINGS INC.

By: _____
Name:
Title:

REPUBLIC AIRLINE INC.

By: _____
Name:
Title:

NXT CAPITAL, LLC

By:  _____
Name: CLIFFORD LEHMAN
Title: MANAGING DIRECTOR

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION, as Security Trustee

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of
the date first set forth above.

REPUBLIC AIRWAYS HOLDINGS INC.

By: _____
Name:
Title:

REPUBLIC AIRLINE INC.

By: _____
Name:
Title:

NXT CAPITAL, LLC

By: _____
Name:
Title:

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION, as Security Trustee

By: _____
Name:
Title:


Kenneth P. Childs
Vice President

EXHIBIT "A"

CREDITOR	DEBTOR	CLAIM NO./ SCHEDULE ID	ASSERTED / SCHEDULED AMOUNT	ALLOWED CLAIM AMOUNT
Wells Fargo Bank Northwest, National Association, as Security Trustee	Republic Airways Holdings Inc.	1007	Unliquidated	\$0
Wells Fargo Bank Northwest, National Association, as Security Trustee	Republic Airline Inc.	1182	Unliquidated	\$0
NXT Capital, LLC	Republic Airways Holdings Inc.	1296	\$15,540,850.65	\$4,000,000
NXT Capital, LLC	Republic Airline Inc.	1171	\$15,540,850.65	\$4,000,000
NXT CAPITAL	Republic Airline Inc.	324720	\$16,189,212.07	\$0