

**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.<sup>1</sup>** : **(Jointly Administered)**

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**ORDER CONFIRMING SECOND AMENDED JOINT PLAN OF  
REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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”) having proposed and filed the Debtors’ Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code [Docket No. 1311] (as it has been or may be subsequently amended or modified in accordance with its respective terms and the Bankruptcy Code, the “Plan”),<sup>2</sup> attached hereto as Exhibit A, and the Plan Supplement [Docket No. 1468] (as it has been or may be subsequently amended or modified in accordance with its respective terms and the Bankruptcy Code, the “Plan Supplement” and together with the Plan, the “Plan Documents”); and the Disclosure Statement having been approved by the Court by order dated December 23, 2016 (the “Original Disclosure”

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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. On January 31, 2017, Shuttle America Corporation was merged with and into Republic Airline Inc. in accordance with the *Order Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code and Bankruptcy Rule 6004 for Approval of (I) Merger of Shuttle America Corporation Into Republic Airline Inc., and (II) Surrender of the Shuttle America Corporation Air Carrier Certificate*, entered on November 28, 2016 [Docket No. 1236]. The Debtors’ employer tax identification numbers and addresses are set forth in their respective chapter 11 petitions.
2. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan.

Statement Order”) [Docket No. 1358], which was supplemented by orders dated January 24, 2017 and February 10, 2017 (the “Supplements to the Disclosure Statement Order,” and together with the Original Disclosure Statement Order, the “Disclosure Statement Order”) [Docket No. 1432, 1472]; and due notice of (i) entry of the Disclosure Statement Order, (ii) the hearing on confirmation of the Plan (the “Confirmation Hearing”), and (iii) the deadline for voting on, and/or objecting to, the Plan having been provided to holders of Claims against and Interests in the Debtors and other parties in interest, as established by the certificates of service and mailing filed with the Court, in accordance with the Disclosure Statement Order, the Bankruptcy Code, and the Bankruptcy Rules; and such notice being sufficient, and no further notice being required; and a hearing having been held before the Court on March 8, 2017, March 16, 2017, April 13, 2017, and April 20, 2017, to consider confirmation of the Plan; and based upon and after full consideration of the entire record of the Confirmation Hearing, including (A) the Plan Documents, the Disclosure Statement, and the Disclosure Statement Order, (B) the Memorandum of Law in Support of Confirmation of the Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code and in Reply to Responses to the Plan [Docket No. 1557] (the “Confirmation Brief”), (C) the Objection to Confirmation of Debtors’ Second Amended Joint Plan of Reorganization by Wells Fargo Bank Northwest, N.A., as Owner Trustee, and ALF VI, Inc., as Owner Participant, as Holders of Claims Arising from Rejections of Lease Transactions for N286SK, N561RP, N562RP, N287SK, N288SK, N563RP and N259JQ [Docket No. 1534] (the “Residco Objection”), (D) Reply of the Official Committee of Unsecured Creditors in Support of Confirmation of Debtors’ Second Amended Joint Plan of Reorganization [Docket No. 1558] (the “Committee Reply”), (E) Debtors’ Response to Objection to Confirmation of Debtors’ Second Amended Joint Plan of Reorganization by Wells

Fargo Bank Northwest, N.A., as Owner Trustee, and ALF VI, Inc., as Owner Participant, as Holders of Claims Arising from Rejections of Lease Transactions for N286SK, N561RP, N562RP, N287SK, N288SK, N563RP and N259JQ [Docket No. 1559] (the “Debtors’ Reply”), (F) the Motion of Wells Fargo Bank Northwest, N.A., as Owner Trustee, and ALF VI, Inc., as Owner Participant, as Holders of Claims Arising from Rejections of Lease Transactions for N286SK, N561RP, N562RP, N287SK, N288SK, N563RP and N259JQ for Leave to File in Further Opposition to Debtors’ Second Amended Joint Plan of Reorganization with Respect to New Matters and Theories Raised in Responses Filed by Debtors and the Creditors’ Committee [Docket No. 1568] (the “Residco Motion to File Sur-Reply”); (G) Wells Fargo Bank Northwest, N.A.’s, as Owner Trustee, and ALF VI, Inc.’s, as Owner Participant, as Holders of Claims Arising from Rejections of Lease Transactions for N286SK, N561RP, N562RP, N287SK, N288SK, N563RP and N259JQ, (A) Response to Debtors Proposed Form of Confirmation Order and (B) Motion to Strike Portions of Declarations Submitted by Debtors in Support of Confirmation [Docket No. 1574] (the “Residco Motion to Strike”), (H) the Joint Omnibus Objection of the Debtors and the Official Committee of Unsecured Creditors to Motions of Wells Fargo Bank Northwest, N.A., as Owner Trustee, and ALF VI, Inc., as Owner Participant, (I) To Strike Portions of Declarations Submitted by Debtors in Support of Confirmation and (II) for Leave to File a Sur-Reply [Docket No. 1585] (the “Joint Objection to Residco Motion”), (I) the Reply of Wells Fargo Bank Northwest, N.A., as Owner Trustee, and ALF VI, Inc., as Owner Participant in Further Opposition to Debtors’ Second Amended Joint Plan of Reorganization with Respect to New Matters and Theories Raised in Responses Filed by Debtors and the Creditors’ Committee [Docket No. 1588] (the “Residco Sur-Reply”); (J) the Response of Wells Fargo Bank Northwest, N.A., as Owner Trustee, and ALF VI, Inc., as Owner Participant, to

Revised Alternate Treatment for Residco Parties Submitted by Debtors and Committee [Docket No. 1623] (the “Additional Residco Reply”); (K) Reply of Debtors to Response of Wells Fargo Bank Northwest, N.A., as Owner Trustee, and ALF VI, Inc., as Owner Participant, to Revised Alternate Treatment for Residco Parties Submitted by Debtors and Committee [Docket No. 1646] (the “Joint Surreply”); (L) the Declaration of Bryan K. Bedford in Support of Confirmation of the Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code [Docket No. 1553] (the “Bedford Declaration”), (M) the Declaration of Joseph P. Allman in Support of Confirmation of the Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code [Docket No. 1554] (the “Allman Declaration”), (N) the Declaration of John Luth in Support of the Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code [Docket No. 1556] (the “Luth Declaration”); (O) the Declaration of Ginger Hughes in Support of Confirmation of the Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code [Docket No. 1555] (the “Hughes Declaration”), (P) the Affidavit of Service of Solicitation Materials [Docket No. 1398] (the “Solicitation Affidavit”), and (Q) the Certification of Prime Clerk LLC Regarding the Solicitation of Votes and Tabulations of Ballots Cast on the Debtors’ Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code [Docket No. 1552] (the “Vote Certification”); and the Court having reviewed and considered the Plan Documents, the Disclosure Statement, the Disclosure Statement Order, the Confirmation Brief, Residco Objection, Committee Reply, Debtors’ Reply, Residco Motion to File Sur-Reply, Residco Motion to Strike, Joint Objection to Residco Motion, Residco Sur-Reply, Additional Residco Reply, Joint Surreply, the Bedford Declaration, the Allman Declaration, the Luth Declaration, the Hughes Declaration, the Solicitation Affidavit, and the Vote Certification; and the Court

having considered all objections to confirmation of the Plan, including the Residco Objection (the “Objections”); and all Objections having been withdrawn, overruled, mooted, resolved, or otherwise denied as set forth at the hearing on April 20, 2017, and in the *Memorandum of Decision*, dated April 10, 2017 (the “Memorandum of Decision”) [Docket No. 1694] and the record of the Confirmation Hearing, which record is incorporated herein; and the Court being fully familiar with, and having taken judicial notice of, the entire record of the Debtors’ Chapter 11 Cases; and upon the appearance of all interested parties having been duly noted on the record of the Confirmation Hearing; and upon all of the proceedings held before the Court and upon the entire record of the Confirmation Hearing, including the evidence admitted at the Confirmation Hearing, the Court having determined that the Plan, as amended herein, should be confirmed as reflected by the Court’s rulings made herein and on the record of the Confirmation Hearing; and after due deliberation and sufficient cause appearing therefor, it is hereby DETERMINED AND FOUND:

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

A. Findings of Fact and Conclusions of Law. The findings set forth herein and on the record of the Confirmation Hearing constitute the Court’s findings of fact pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Rules 7052 and 9014 of the Federal Rules of Bankruptcy Procedure. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. Judicial Notice. The Court takes judicial notice of the docket of the Chapter 11 Cases maintained by the Clerk of the Court, including, without limitation, all

pleadings and other documents filed, all orders entered, and all evidence admitted and arguments made at the hearings held before the Court during the pendency of the Chapter 11 Cases.

C. Exclusive Jurisdiction; Core Proceeding; Venue. This Court has jurisdiction over the Chapter 11 Cases and to confirm the Plan pursuant to 28 U.S.C. § 1334. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b), and the Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed. Venue is proper before this Court and in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

D. Commencement and Administration of the Chapter 11 Cases. On February 25, 2016 (the “Commencement Date”), the Debtors commenced voluntary cases under chapter 11 of the Bankruptcy Code. By order of the Court, the Chapter 11 Cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 2015. The Debtors have operated their businesses and managed their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Chapter 11 Cases.

E. Official Committee of Unsecured Creditors. On March 4, 2016, the Office of the United States Trustee for the Southern District of New York (the “U.S. Trustee”) appointed an official committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the “Committee”).

F. Solicitation and Notice. On December 23, 2016, the Court entered the Original Disclosure Statement Order, which was supplemented on January 24, 2017 and February 10, 2017 by the Supplements to the Disclosure Statement Order, which, among other things, approved the Disclosure Statement, finding that it contained “adequate information”

within the meaning of section 1125 of the Bankruptcy Code, and established procedures for the Debtors' solicitation of votes with respect to the Plan. As described in the Solicitation Affidavit, packages containing (a) notice of the Confirmation Hearing, (b) the Original Disclosure Statement Order, (c) the Disclosure Statement (with a copy of the Plan attached thereto and other related exhibits), (d) a letter from the Committee in support of the Plan, and (e) the appropriate ballots for voting on the Plan (the "Ballots") (collectively, the "Solicitation Packages") were served in compliance with the Bankruptcy Code, Bankruptcy Rules, and the Disclosure Statement Order. The service of the Solicitation Packages, as set forth in the Solicitation Affidavit, was adequate and sufficient under the circumstances of these Chapter 11 Cases, provided adequate and sufficient notice of the Confirmation Hearing, the Voting Deadline, and the deadline for objecting to the Plan, was in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Disclosure Statement Order, and any other applicable orders and rulings of the Court, and provided due process to all parties in interest in these Chapter 11 Cases. The filing of the Plan and the Confirmation Hearing constitute adequate notice in accordance with Bankruptcy Rule 3019.

G. Voting. Votes to accept or reject the Plan were solicited contemporaneously with the Disclosure Statement that contained "adequate information" as defined in section 1125 of the Bankruptcy Code. As evidenced by the Vote Certification, votes to accept or reject the Plan have been solicited and tabulated fairly, in good faith, and in a manner consistent with the Disclosure Statement Order, the Bankruptcy Code, and the Bankruptcy Rules.

H. Plan Supplement. On February 8, 2017 the Debtors filed the Plan Supplement, which included the following documents and schedules: (i) the Amended Certificate

of Incorporation; (ii) the Amended Bylaws; (iii) a list of the Management Agreements; (iv) the Management Equity Plan; (v) the Stockholders Agreement; (vi) the identity of the Reorganized Board and the initial chair of the Reorganized Board; (vii) Schedule 9.1 (Assumed Executory Contracts and Unexpired Leases); and (viii) Schedule 11.12 (Retained Causes of Action). On March 6, March 15, April 17, 2017, and April 20, 2017, the Debtors filed amended Exhibit F (Schedule 9.1 (Assumed Executory Contracts and Unexpired Leases)) to the Plan Supplement [Docket Nos. 1567, 1601, 1705, and 1715]. On April 13, 2017, the Debtors filed amended Exhibit D (Stockholders Agreement) to the Plan Supplement [Docket No. 1700]. On April 20, 2017, the Debtors filed amended Exhibit B (Amended Certificate of Incorporation) to the Plan Supplement [Docket No. 1714]. All such materials comply with, and are necessary to the implementation of, the terms of the Plan, the filing and notice of such documents is good and proper in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the Disclosure Statement Order, and no other or further notice is or shall be required.

I. Plan Modifications. Subsequent to solicitation, the Debtors made certain non-material modifications to the Stockholders Agreement [Docket No. 1700] and the Amended Certificate of Incorporation [Docket No. 1714] (the “Plan Modifications”). Filing of the Plan Modifications with the Court and disclosure of the Plan Modifications on the record constitute due and sufficient notice thereof.

J. Deemed Acceptance of Plan as Modified. All Plan Modifications are consistent with all of the provisions of the Bankruptcy Code, including, without limitation, sections 1122, 1123, 1125 and 1127 and Bankruptcy Rule 3019, and all holders of Claims who voted to accept the Plan and who are conclusively presumed to have accepted the Plan are



deemed to have accepted the Plan as modified by the Plan Modifications. No holder of a Claim or Interest shall be permitted to change its vote as a consequence of the Plan Modifications.

K. Voting Stipulations. The Debtors entered into voting stipulations with each of American, Delta, and United that were approved by the Bankruptcy Court on February 23, 2017 [Docket Nos. 1530, 1531, and 1532] (the “Voting Stipulations”). Each of American, Delta, and United has, as represented by counsel for each party on the record of the April 13, 2017 hearing, waived any rights under the Voting Stipulations to change its Ballots as a consequence of the Plan Modifications.

**Compliance with Section 1129 of the Bankruptcy Code**

L. Burden of Proof. The Debtors have met their burden of proving the elements of sections 1129(a) and (b) of the Bankruptcy Code by a preponderance of the evidence, which is the applicable standard.

M. Bankruptcy Rule 3016(a). The Plan is dated and identifies the Debtors as the proponents of the Plan, thereby satisfying the requirements of Bankruptcy Rule 3016(a).

N. Plan Compliance with Applicable Provisions of the Bankruptcy Code (11 U.S.C. § 1129(a)(1)). The Plan complies fully with the requirements of sections 1122 and 1123 as well as with all other applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(1) of the Bankruptcy Code.

(i) Proper Classification (11 U.S.C. §§ 1122, 1123(a)(1)). As required by section 1123(a)(1) of the Bankruptcy Code, in addition to Administrative Claims and Priority Tax Claims, which need not be classified, Article 3 of the Plan designates eleven (11) Classes of Claims and two (2) Classes of Interests. The designated Classes are as follows: Class 1(a) (Other Priority Claims (Consolidated Debtors)), Class 1(b) (Other Priority Claims (MAGI)), Class 1(c) (Other Priority Claims (Midwest)), Class 1(d) (Other Priority Claims (Skyway)), Class 2(a)

(Reinstated Aircraft Secured Claims (Consolidated Debtors)), Class 2(b) (Other Secured Claims (Consolidated Debtors)), Class 3(a) (General Unsecured Claims (Consolidated Debtors)), Class 3(b) (General Unsecured Claims (MAGI)), Class 3(c) (General Unsecured Claims (Midwest)), Class 3(d) (General Unsecured Claims (Skyway)), Class 4 (Section 510(b) Claims), Class 5 (Interests in RAH), and Class 6 (Subsidiary Interests). As required by section 1122(a) of the Bankruptcy Code, each of the Claims or Interests, as the case may be, in each particular Class is substantially similar to the other Claims or Interests in such Class. Valid business, factual, and legal reasons exist for separately classifying the various Claims and Interests created under the Plan, and such Classes do not unfairly discriminate between holders of Claims and Interests or prejudice the rights of holders of such Claims and Interests. The classification of Claims and Interests in the Plan is reasonable and necessary to implement the Plan. The Plan adequately and properly classifies all Claims and Interests and therefore satisfies the requirements of sections 1122 and 1123(a)(1) of the Bankruptcy Code.

(ii) Specified Unimpaired Classes (11 U.S.C. § 1123(a)(2)). Article 4 of the Plan specifies that Classes 1(a)-(d) (Other Priority Claims), Class 2(a) (Reinstated Aircraft Secured Claims), and Class 2(b) (Other Secured Claims) are unimpaired by the Plan, thereby satisfying the requirements of section 1123(a)(2) of the Bankruptcy Code.

(iii) Specified Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3)). Article 4 of the Plan designates Classes 3(a)-(d) (General Unsecured Claims), Class 4 (Section 510(b) Claims), Class 5 (Interests in RAH), and Class 6 (Subsidiary Interests) as impaired, and Section 4.3(d)-(h) of the Plan specifies the treatment of such Claims and Interests in such Classes, thereby satisfying the requirements of section 1123(a)(3) of the Bankruptcy Code.

(iv) No Discrimination (11 U.S.C. § 1123(a)(4)). The Plan Documents provide for the same treatment for each Claim against or Interest in each Debtor in each respective Class unless the holder of a particular Claim or Interest has agreed to less favorable treatment on account of such Claim or Interest, thereby satisfying the requirements of section 1123(a)(4) of the Bankruptcy Code.

(v) Implementation of the Plan (11 U.S.C. § 1123(a)(5)). The Plan Documents provide adequate and proper means for implementation of the Plan, including, without limitation, (i) the deemed substantive consolidation of RAH, Republic Airline, and RASI, (ii) the liquidation and dissolution of nonoperating subsidiaries MAGI, Midwest, and Skyway, and (iii) the reorganization and continued operation of RAH, Republic Airline, and RASI, thereby satisfying the requirements of section 1123(a)(5) of the Bankruptcy Code.

(vi) Non-Voting Equity Securities (11 U.S.C. § 1123(a)(6)). As set forth in Section 10.2 of the Plan, the Amended Certificate of Incorporation, the Amended Bylaws, and the amended certificates of incorporation for each of the other Reorganized Debtors will conform to section 1123(a)(6) of the Bankruptcy Code's prohibition on the issuance of nonvoting equity securities. Therefore, the applicable postconfirmation organizational documents comply with the requirements of section 1123(a)(6) of the Bankruptcy Code.

(vii) Officers, Directors, or Trustee (11 U.S.C. § 1123(a)(7)). As set forth in Section 10.3 of the Plan, the initial board of directors of Reorganized RAH will consist of seven (7) directors, including six (6) selected by the Committee in consultation with the Debtors and disclosed in the Plan Supplement and one (1) director who shall be Mr. Bryan Bedford, the current Chairman of the Board, President, and Chief Executive Officer of RAH. The Debtors filed with the Court, as part of the Plan Supplement, a list of the members of the Reorganized

Board. The replacement of members of the Reorganized Board will be in accordance with the Stockholders Agreement or the Amended Bylaws, as applicable. The boards of directors of each of the Consolidated Debtors other than Reorganized RAH shall be the same as the RAH Board. With respect to officers of the Consolidated Debtors, Section 10.3(c) of the Plan provides that the existing officers of each of the Debtors shall remain in office on and after the effective date. The Plan Documents contain provisions regarding the manner of selection of the initial Reorganized Board and officers of the Consolidated Debtors, and any successors to such directors that are consistent with the interests of creditors, equity security holders, and public policy in accordance with section 1123(a)(7) of the Bankruptcy Code.

O. Additional Plan Provisions (11 U.S.C. § 1123(b)). The Plan's additional provisions are appropriate and consistent with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1123(b) of the Bankruptcy Code. The failure to specifically address a provision of the Bankruptcy Code in this Order shall not diminish or impair the effectiveness of this Order.

(i) Impairment/Unimpairment of Classes of Claims and Interests (11 U.S.C. § 1123(b)(1)). Article 4 of the Plan lists Classes 1(a)-(d) (Other Priority Claims), Class 2(a) (Reinstated Aircraft Secured Claims), and Class 2(b) (Other Secured Claims) as unimpaired, and Classes 3(a)-(d) (General Unsecured Claims), Class 4 (Section 510(b) Claims), Class 5 (Interests in RAH), and Class 6 (Subsidiary Interests) as impaired and is therefore consistent with section 1123(b)(1) of the Bankruptcy Code.

(ii) Assumption of Executory Contracts and Unexpired Leases (11 U.S.C. § 1123(b)(2)). In accordance with section 1123(b)(2) of the Bankruptcy Code, Section 9.1 of the Plan provides that all executory contracts and unexpired leases to which any of the Debtors are

parties automatically shall be deemed rejected as of the Effective Date, except for executory contracts or unexpired leases that have (i) been assumed or rejected pursuant to an order of the Bankruptcy Court entered prior to the Effective Date, (ii) been the subject of a motion to assume or reject pending on the Effective Date, (iii) been listed on Schedule 9.1 to the Plan Supplement, or (iv) been the subject of a Treatment Objection that has been filed and properly served by the Treatment Objection Deadline. If an executory contract or unexpired lease (x) has been assumed or rejected pursuant to an order of the Court entered prior to the Effective Date or (y) is the subject of a separate motion to assume or reject pending on the Confirmation Date, then the listing of any such executory contract or unexpired lease on Schedule 9.1 of the Plan Supplement shall be of no effect.

(iii) Settlement or Retention of Claims or Interests (11 U.S.C. § 1123(b)(3)).

Section 11.13 of the Plan provides that, from and after the Effective Date, the Consolidated Debtors waive and release all Avoidance Actions pursuant to section 547 of the Bankruptcy Code unless such Avoidance Action is listed on Schedule 11.12 to the Plan Supplement; provided that, except as expressly provided in Article 11 of the Plan or this Confirmation Order, the Post-Effective Date Debtors will retain the right to assert any Claims assertable in any Avoidance Action as defenses or counterclaims in any Cause of Action brought by any Creditor. The Post-Effective Date Debtors shall retain the right, after the Effective Date, to prosecute any of the Avoidance Actions listed on Schedule 11.12 to the Plan Supplement.

(iv) Other Provisions Not Inconsistent With Provisions of the Bankruptcy Code (11 U.S.C. § 1123(b)(6)). Article 14 of the Plan provides for the Court's jurisdiction over, without limitation, the enumerated matters therein consistent with applicable law.

(v) Cure of Defaults (11 U.S.C. § 1123(d)). Section 9.3 of the Plan provides for the satisfaction of default claims associated with any executory contract and unexpired lease to be assumed pursuant to the Plan in accordance with section 365(b) of the Bankruptcy Code. The cure amounts identified in Schedule 9.1 of the Plan Supplement represent the amount, if any, that the Debtors propose to pay in full and complete satisfaction of such default claims. The Cure amounts reflect a reasonable and good faith exercise of the Debtors' business judgment and are in accordance with the underlying agreements and applicable bankruptcy and nonbankruptcy law, and in some cases, reflect a consensual agreement with the non-Debtor counterparty. Accordingly, the Plan complies with section 1123(d) of the Bankruptcy Code.

P. Debtors' Compliance with the Bankruptcy Code (11 U.S.C. § 1129(a)(2)).

The Debtors have complied with the applicable provisions of the Bankruptcy Code, thereby satisfying the requirements of section 1129(a)(2) of the Bankruptcy Code. Specifically:

(i) The Debtors are proper debtors under section 109 of the Bankruptcy Code.

(ii) The Debtors have complied with all applicable provisions of the Bankruptcy Code, except as otherwise provided or permitted by orders of the Court.

(iii) The Debtors have complied with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Disclosure Statement Order in transmitting the Plan, the Disclosure Statement, the Ballots, and related documents and notices, and in soliciting and tabulating votes to accept or reject the Plan.

Q. Plan Proposed in Good Faith and Not by Any Means Forbidden by Law (11 U.S.C. § 1129(a)(3)). The Debtors have proposed the Plan Documents (and any other documents necessary to effectuate the Plan) in good faith and not by any means forbidden by law, thereby complying with section 1129(a)(3) of the Bankruptcy Code. The Debtors' good

faith is evident from the Bedford Declaration and the record of these Chapter 11 Cases, including the record of the hearing to approve the Disclosure Statement and the record of the Confirmation Hearing. Based on the foregoing evidence, the Court finds and concludes that the Plan Documents have been proposed with the legitimate and honest purpose of reorganization of the Debtors and the distribution of value to Creditors. The Plan Documents are the result of extensive, arms'-length negotiations between and among the Debtors and their principal stakeholders. The terms of the Plan Documents were negotiated in good faith and at arms'-length and are fair, just, and reasonable under the circumstances. Consistent with the overriding purpose of chapter 11 of the Bankruptcy Code, the Plan is designed to allow the Debtors to satisfy their obligations to the greatest extent possible. The Committee supports confirmation of the Plan. The Plan provides for a distribution of the value of the Debtors' Estates to their Creditors in accordance with the priorities and provisions of the Bankruptcy Code. Further, the Plan's classification of Claims and Interests, indemnification, exculpation, release, and injunction provisions have been negotiated in good faith and at arms' length and are consistent with sections 105, 1122, 1123(b)(3)(A), 1123(b)(6), 1129, and 1142 of the Bankruptcy Code, and each is necessary to the Debtors' successful emergence from chapter 11. Accordingly, the Plan Documents have been filed in good faith and the Debtors have satisfied their obligations under section 1129(a)(3) of the Bankruptcy Code.

R. Payments Made by the Debtors for Services or Costs and Expenses (11 U.S.C. § 1129(a)(4)). Section 3.4 of the Plan requires that each Professional seeking allowance by the Bankruptcy Court of Professional Fee Claims: (a) must file its final application for allowance of compensation for services rendered and reimbursement of expenses incurred through the last day of the calendar month immediately preceding the Effective Date on or

before the Final Fee Application Deadline; and (b) if the Bankruptcy Court grants such an award, each such Professional will be paid in full in Cash by the Debtors, in such amounts as are allowed by the Bankruptcy Court pursuant to the provisions of the order of the Bankruptcy Court granting final allowance of compensation and reimbursement of expenses pursuant to section 330 of the Bankruptcy Code. All final applications for allowance and disbursement on account of Professional Fee Claims must be in compliance with all of the terms and provisions of any applicable order of the Bankruptcy Court, including this Confirmation Order. Pursuant to the Interim Compensation Order in these Chapter 11 Cases and section 331 of the Bankruptcy Code, any and all payments made, or to be made, by the Debtors for services or costs and expenses in or in connection with the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, have been approved by, or are subject to the approval of, the Court as reasonable under section 330 of the Bankruptcy Code. Accordingly, the requirements of section 1129(a)(4) of the Bankruptcy Code are satisfied.

S. Directors, Officers, and Insiders (11 U.S.C. § 1129(a)(5)). The Debtors have complied with section 1129(a)(5) of the Bankruptcy Code. The identity and affiliations of the persons proposed to serve as members of the initial Reorganized Board were disclosed in the Plan Supplement, and the appointment to, or continuance in, such positions of such persons is consistent with the interests of creditors and equity security holders and with public policy. The identity of any insider that will be employed or retained by the Consolidated Debtors and the nature of such insider's compensation have also been fully disclosed.

T. Plan Does Not Contain Rate Changes (11 U.S.C. § 1129(a)(6)). Section 1129(a)(6) of the Bankruptcy Code is inapplicable to these Chapter 11 Cases.



U. Best Interests of Creditors and Interest Holders (11 U.S.C. § 1129(a)(7)).

The Plan satisfies section 1129(a)(7) of the Bankruptcy Code. The Disclosure Statement, the Plan Supplement, the Hughes Declaration, and the other evidence proffered or adduced at or before the Confirmation Hearing (i) are persuasive and credible, (ii) have not been controverted by other evidence, and (iii) establish that each holder of an impaired Claim or Equity Interest either has accepted the Plan or will receive or retain under the Plan, on account of such Claim or Equity Interest, property of a value, as of the Effective Date, that is not less than the amount such holder would receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code on such date.

V. Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)).

(i) Classes 1(a)-(d) (Other Priority Claims), Class 2(a) (Reinstated Aircraft Secured Claims), and Class 2(b) (Other Secured Claims) are unimpaired by the Plan and, accordingly, holders of Claims in these Classes are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Accordingly, as to Classes 1(a)-(d) and 2(a)-(b), section 1129(a)(8) of the Bankruptcy Code has been satisfied.

(ii) Class 3(a) (General Unsecured Claims) is impaired and entitled to vote on the Plan (the "Voting Class"). The Vote Certification establishes that the Voting Class has accepted the Plan in accordance with section 1126(c) of the Bankruptcy Code. Accordingly, as to the Voting Class, section 1129(a)(8) of the Bankruptcy Code has been satisfied.

(iii) Classes 3(b)-(d) (General Unsecured Claims), Class 4 (Section 510(b) Claims), and Class 5 (Interests in RAH) are impaired by the Plan and not entitled to receive or retain any property under the Plan on account of their Claims or Interests. These Classes are

accordingly deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

(iv) Class 6 (Subsidiary Interests) is impaired by the Plan but has consented to the treatment described in the Plan. This Class is accordingly presumed to have accepted the Plan.

W. Treatment of Administrative Claims, Priority Tax Claims, and Other Priority Claims (11 U.S.C. § 1129(a)(9)). The treatment of Administrative Claims set forth in Sections 3.1, 3.2, 3.3, and 3.4 of the Plan satisfies the requirements of section 1129(a)(9)(A) of the Bankruptcy Code. Pursuant to Section 3.3 of the Plan, Allowed Other Administrative Claims with respect to assumed agreements, liabilities incurred by the Debtors in the ordinary course of business during the Chapter 11 Cases, and nonordinary course liabilities approved by the Bankruptcy Court shall be paid in full and performed by the Post-Effective Date Debtors in the ordinary course of business (or as otherwise approved by the Bankruptcy Court) in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions. The treatment of Priority Tax Claims set forth in Section 3.5 of the Plan satisfies the requirements of sections 1129(a)(9)(C) and (D) of the Bankruptcy Code. Notwithstanding anything in the Plan to the contrary, except to the extent that a Creditor agrees to less favorable treatment, each holder of an Allowed Priority Tax Claims against any of the Debtors shall receive payment in full in Cash made on or as soon as reasonably practicable after the later of the Effective Date or 20 calendar days after the date such Claim is Allowed. The treatment of Other Priority Claims set forth in Section 4.3 of the Plan satisfies the requirements of section 1129(a)(9)(B) of the Bankruptcy Code. The Debtors

have sufficient Cash to pay the Administrative Claims, Priority Tax Claims, and Other Priority Claims.

X. Acceptance By At Least One Impaired Class (11 U.S.C. § 1129(a)(10)).

The Voting Class, which is impaired pursuant to the Plan and entitled to vote, voted to accept the Plan by the requisite majority, determined without including any acceptance of the Plan by any insider, in accordance with section 1126 of the Bankruptcy Code, thereby satisfying the requirements of section 1129(a)(10) of the Bankruptcy Code.

Y. Feasibility (11 U.S.C. § 1129(a)(11)). As demonstrated by the Allman Declaration, together with any additional evidence admitted at the Confirmation Hearing, the information provided in the Disclosure Statement (i) is persuasive and credible, (ii) has not been controverted by other evidence or validly challenged, and (iii) establishes that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Consolidated Debtors, thus satisfying the requirements of section 1129(a)(11) of the Bankruptcy Code.

Z. Payment of Fees (11 U.S.C. § 1129(a)(12)). Section 15.6 of the Plan provides that all fees payable under 28 U.S.C. § 1930(a), as well as interest and penalties payable under 31 U.S.C. § 3717, shall be paid by the Debtors for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed. Therefore, the requirements of section 1129(a)(12) of the Bankruptcy Code are satisfied.

AA. Continuation of Retiree Benefits (11 U.S.C. § 1129(a)(13)). The Plan provides for the continuation after the Effective Date of payment of all “retiree benefits” (as defined in section 1114 of the Bankruptcy Code) at the level established pursuant to sections 1114(e)(1)(B) or 1114(g) of the Bankruptcy Code at any time prior to confirmation of the Plan,

for the duration of the period the Debtors have obligated themselves to provide such benefits. Therefore, the requirements of section 1129(a)(13) of the Bankruptcy Code are satisfied.

BB. No Domestic Support Obligations (11 U.S.C. § 1129(a)(14)). The Debtors are not required by a judicial or administrative order, or by statute, to pay any domestic support obligations. Accordingly, section 1129(a)(14) of the Bankruptcy Code is inapplicable in these Chapter 11 Cases.

CC. Debtors Are Not Individuals (11 U.S.C. § 1129(a)(15)). The Debtors are not individuals and, accordingly, section 1129(a)(15) of the Bankruptcy Code is inapplicable in these Chapter 11 Cases.

DD. No Applicable Nonbankruptcy Law Regarding Transfers (11 U.S.C. § 1129(a)(16)). The Debtors are moneyed, business, or commercial corporations or trusts, as the case may be and, accordingly, section 1129(a)(16) of the Bankruptcy Code is inapplicable in these Chapter 11 Cases.

EE. No Unfair Discrimination; Fair and Equitable (11 U.S.C. § 1129(b)). The Debtors have requested that the Court confirm the Plan notwithstanding the fact that (i) the holders of Claims in Classes 3(b), 3(c), 3(d), 4, and 5 were impaired and deemed to reject the Plan (collectively, the "Rejecting Classes"). The Debtors have satisfied the requirements of sections 1129(b)(1) and (b)(2) of the Bankruptcy Code with respect to the Rejecting Classes. Based on the evidence admitted at the Confirmation Hearing and in the Bedford Declaration, the Plan does not discriminate unfairly and is fair and equitable with respect to the Rejecting Classes, as required by sections 1129(b)(1) and (b)(2) of the Bankruptcy Code. Thus, the Plan may be confirmed notwithstanding the rejection of the Plan by the Rejecting Classes. Upon

confirmation and the occurrence of the Effective Date, the Plan shall be binding upon the members of the Rejecting Classes.

FF. Only One Plan (11 U.S.C. § 1129(c)). The Plan is the only plan filed in these Chapter 11 Cases and, accordingly, section 1129(c) of the Bankruptcy Code is satisfied.

GG. Principal Purpose of the Plan (11 U.S.C. § 1129(d)). The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of Section 5 of the Securities Act of 1933, thereby satisfying the requirements of section 1129(d) of the Bankruptcy Code.

HH. Not Small Business Cases (11 U.S.C. § 1129(e)). None of the Chapter 11 Cases are small business cases, as that term is defined in the Bankruptcy Code, and accordingly, section 1129(e) of the Bankruptcy Code is inapplicable.

II. Good Faith Solicitation (11 U.S.C. § 1125(e)). Based on the record before the Court in these Chapter 11 Cases and the Solicitation Affidavit, it appears that the Debtors have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including, without limitation, sections 1125(a) and (e) of the Bankruptcy Code, the Bankruptcy Rules, the Disclosure Statement Order, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation.

JJ. Substantive Consolidation. The evidence in support of the Plan, including declarations and other pleadings in support of the Plan that was proffered or adduced at or prior to the Confirmation Hearing established that substantive consolidation is fair, equitable, and appropriate in these Chapter 11 Cases. *See also* Memorandum of Decision [Docket No. 1694]. Substantive consolidation of the Estates of the Debtors, however, shall not affect: (i) the legal or

organizational structure of the Consolidated Debtors, (ii) pre- or post-Commencement Date Liens or security interests, (iii) pre- or post-Commencement Date guarantees that are required to be maintained (x) in connection with executory contracts or unexpired leases that were entered into during the Chapter 11 Cases or that have been or will be assumed, (y) in connection with agreements related to (1) Reinstated Aircraft Secured Claims or (2) Other Secured Claims that the Debtors elect to reinstate, or (z) pursuant to the Plan, (iv) defenses to any Cause of Action, or (v) distributions out of any insurance policies or proceeds of such policies.

KK. Resolution of Objections. All parties have had a full and fair opportunity to litigate all issues raised by Objections, or which might have been raised, and any Objections have been fully and fairly litigated. As presented at the Confirmation Hearing and as provided herein, any consensual resolutions of certain Objections, responses, statements, and comments in opposition to the Plan satisfy all applicable requirements of the Bankruptcy Code and the Bankruptcy Rules and are in the best interests of the Debtors, and are hereby approved.

LL. Satisfaction of Confirmation Requirements. Based upon the foregoing, the Plan satisfies the requirements for confirmation set forth in section 1129 of the Bankruptcy Code.

#### Implementation and Consummation of the Plan

MM. Implementation. All documents necessary to implement the Plan and all other relevant and necessary documents have been negotiated in good faith and at arm's length and shall, upon execution of the documents and upon the occurrence of the Effective Date, constitute legal, valid, binding, enforceable, and authorized obligations of the respective parties thereto and will be enforceable in accordance with their terms. Pursuant to section 1142(a) of

the Bankruptcy Code, the Plan Documents will apply and be enforceable notwithstanding any otherwise applicable non-bankruptcy law.

NN. Good Faith. The Debtors and each of their respective officers, directors, employees, attorneys, advisors, insurers, investment bankers, consultants, managers, members, partners, agents, accountants, and other professionals, and their predecessors, successors, assigns, present and former affiliates (whether by operation of law or otherwise), and equity holders, in each case, in their respective capacities as such, as applicable, (i) have acted in good faith in negotiating, formulating, and proposing, where applicable, the Plan Documents and agreements, compromises, settlements, transactions, and transfers contemplated thereby, and (ii) will be acting in good faith in proceeding to (a) consummate the Plan Documents and the agreements, compromises, settlements, transactions, transfers, and documentation contemplated by the Plan Documents, and (b) take any actions authorized and directed or contemplated by this Order.

OO. Securities Exempt from Registration. The offer, issuance, and distribution of the New Common Stock is or was in exchange for Claims against the Debtors within the meaning of section 1145(a)(1) of the Bankruptcy Code.

PP. Releases, Discharge and Permanent Injunction, Limitation of Liability, and Exoneration. The Court has jurisdiction under sections 1334(a) and (b) of title 28 of the United States Code and sections 105, 524, and 1141 of the Bankruptcy Code to approve the provisions with respect to the releases by the Debtors, voluntary releases by Creditors, injunction, limitation of liability, exoneration, and discharge/injunction set forth in Article 11 of the Plan. The releases by the Debtors set forth in Section 11.4, Section 11.8, and Section 11.13 of the Plan represent a valid exercise of the Debtors' business judgment and accordingly are

appropriate under section 1123(b)(3)(A) of the Bankruptcy Code. The releases set forth in Section 11.9 of the Plan are deemed consented to by Creditors who submitted ballots and elected to consent to such releases, as permitted by the ballots. Creditors and Interest holders who were not entitled to vote and Creditors who submitted ballots that did not consent to such releases are deemed to have opted out of the releases set forth in Section 11.9 of the Plan. The exculpation provision set forth in Section 11.7 of the Plan is appropriately tailored to protect the Exculpated Parties from inappropriate litigation and does not relieve any party of liability for willful misconduct or gross negligence. The released parties pursuant to Section 11.8 have contributed substantial value to the Debtors and the formulation of the Plan. Such released parties' efforts in negotiating and ultimately formulating the Plan enabled the Debtors to file the Plan. The discharge and injunction set forth in Section 11.5 of the Plan complies with section 524(e) of the Bankruptcy Code and is important to the overall objectives of the Plan to finally resolve all claims against the Debtors in the Chapter 11 Cases. Based upon the record of these Chapter 11 Cases and the evidence admitted at or prior to the Confirmation Hearing, this Court finds that the releases, injunctions, and exonerations set forth in Article 11 of the Plan are consistent with the Bankruptcy Code and applicable law.

**ORDER**

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED  
THAT:

1. Confirmation. All requirements for confirmation of the Plan have been satisfied. The Plan, as amended herein, is CONFIRMED in its entirety pursuant to section 1129 of the Bankruptcy Code. The terms of the Plan, the Plan Supplement, and any other documents filed in connection with the Plan and/or executed or to be executed in connection with the



transactions contemplated by the Plan, and all amendments and modifications thereof, are expressly incorporated into, and form an integral part of, this Order. A copy of the Plan in the form confirmed is annexed hereto as Exhibit A.

2. Objections. For the reasons set forth in the Memorandum of Decision, the Residco Objection is overruled. All Objections that have not been withdrawn or resolved prior to the entry of this Order are overruled in all respects for the reasons set forth in the record of the Confirmation Hearing, which record is incorporated herein. All withdrawn objections, if any, are deemed withdrawn with prejudice.

3. Omission of Reference to Particular Plan Provisions. The failure to specifically describe or include any particular provision of the Plan in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of this Court that the Plan be approved and confirmed in its entirety.

4. Implementation. The Debtors and the Post-Effective Date Debtors are authorized and directed to take all actions necessary, appropriate, or desirable to enter into, implement, and consummate the contracts, instruments, releases, leases, agreements, or other documents created or executed in connection with the Plan Documents. Without further order or authorization of this Court, the Debtors, the Post-Effective Date Debtors, and their successors are authorized and empowered to make all modifications to all Plan Documents that are consistent with the Plan, including, without limitation, any modifications to Schedule 9.1 to the Plan Supplement necessitated subsequent to the hearing on pending Treatment Objections. Execution versions of the Plan Documents, where applicable, shall constitute legal, valid, binding, and authorized obligations of the respective parties thereto, enforceable in accordance with their

terms and, to the extent applicable, shall create, as of the Effective Date, all Liens and security interests purported to be created thereby.

5. Modifications or Alterations to the Plan. To the extent the Plan has been modified, supplemented, or altered subsequent to solicitation, including the Plan Modifications, such modifications, supplements, and alterations constitute clarifications or technical changes, and do not materially adversely affect or change the treatment of any Claims or Interests. Accordingly, pursuant to Bankruptcy Rule 3019, such modifications or alterations, if any, do not require additional disclosure under section 1125 of the Bankruptcy Code or resolicitation of votes under section 1126 of the Bankruptcy Code, nor do they require that creditors and equity security holders be afforded an opportunity to change previously cast acceptances or rejections of the Plan.

6. Plan Classification Controlling. The classifications of Claims and Interests for purposes of the distributions to be made pursuant to the Plan shall be governed solely by the terms of the Plan. The classification set forth on the Ballots tendered or returned by the Debtors' Creditors in connection with voting on the Plan: (a) were set forth on the Ballots solely for purposes of voting to accept or reject the Plan; (b) do not necessarily represent, and in no event shall be deemed to modify or otherwise affect, the actual classification of such Claims and Interests under the Plan for distribution purposes; and (c) shall not be binding on the Debtors, the Post-Effective Date Debtors, Creditors, or Interest holders for purposes other than voting on the Plan. All rights of the Debtors and Post-Effective Date Debtors to seek to reclassify Claims are expressly reserved.

7. Binding Effect of Plan. Subject to the occurrence of the Effective Date, on and after the Confirmation Date, the provisions of the Plan shall bind (i) any holder of a

Claim against, or Interest in, each Debtor and such holder's respective successors and assigns, whether or not the Claim or Interest is impaired under the Plan, whether or not such holder has accepted the Plan, and whether or not such holder is entitled to a distribution under the Plan, (ii) any and all non-Debtor parties to assumed executory contracts and unexpired leases with any of the Debtors, (iii) any parties that have objected to confirmation of the Plan, (iv) every other party in interest in the Chapter 11 Cases, (v) all parties receiving property under the Plan and the other Plan Documents, and their respective heirs, executors, administrators, successors, or assigns.

8. Substantive Consolidation. Entry of this Confirmation Order shall constitute the approval, pursuant to sections 105(a) and 1123(a) of the Bankruptcy Code, effective as of the Effective Date, of the substantive consolidation of the Estates of the Consolidated Debtors solely for the purposes specified in the Plan, as provided for in Article 2.2 of the Plan.

9. Effective as of the Effective Date, subject to Section 2.2(b) of the Plan and Paragraph 18 hereof, (i) all assets and liabilities of the Consolidated Debtors shall be consolidated and treated as though they were merged, (ii) all guarantees of any Consolidated Debtor of the obligations of any other Consolidated Debtor shall be eliminated so that any Claim against any Consolidated Debtor, any guarantee thereof executed by any other Consolidated Debtor and any joint or several liability of any of the Consolidated Debtors shall be one obligation of the Consolidated Debtors and (iii) each and every Claim filed or to be filed in the Chapter 11 Cases against any of the Consolidated Debtors shall be deemed filed against the Consolidated Debtors collectively and shall be one Claim against and, if and to the extent allowed, shall become one obligation of the Consolidated Debtors.

10. Section 2.2 of the Plan is hereby amended in accordance with the

Memorandum of Decision to include the following as Section 2.2(d):

Notwithstanding anything in the Plan to the contrary, in the event that the claims of Wells Fargo Bank Northwest, N.A., as Owner Trustee, and ALF VI, Inc., as Owner Participant (together, "Residco") against RAH (the "Guarantee Claims") in connection with the rejection of the *Amended and Restated Aircraft Lease Agreement* for each of seven EMB-145LR aircraft bearing U.S. registration marks N288SK, N561RP, N259JQ, N286SK, N287SK, N563RP and N562RP are Allowed in a higher amount than the corresponding claims of Residco against Shuttle (the "Lease Claims," and together with the Guarantee Claims, the "Residco Claims"), Residco may by written notice to the Debtors or Reorganized Debtors (as the case may be) and the Creditors' Committee elect within 14 days of any such determination to treat such claims as not subject to the Plan Consolidation for purposes of determining the amount of any distributions on account of the Residco Claims under the Plan (the "Non-Consolidation Treatment"). Instead, in the event Residco elects the Non-Consolidation Treatment, Residco would be entitled to receive distributions for (i) the allowed amount of the Guarantee Claims, based on an estimated percentage that non-priority general unsecured creditors of RAH would have received in a standalone plan of reorganization for RAH *plus* (ii) the allowed amount of the Lease Claims based on an estimated percentage distributions that nonpriority general unsecured creditors of Shuttle would have received in a standalone plan of reorganization for Republic Airline, in each case following the Merger. For the avoidance of doubt, the Non-Consolidation Treatment is intended to provide Residco with the amounts they would have recovered if the Plan Consolidation had not taken place. In the event Residco elects the Non-Consolidation Treatment, all rights of the Debtors, Residco and any other party in interest are reserved to ensure that the Non-Consolidation Treatment effectuates such intent; *provided* that the Debtors agree to bear the burden of proof to establish the estimated percentage distributions that would have been received by general unsecured creditors under standalone plans for RAH and Republic Airline (following the Merger). In the event Residco does not timely elect the Non-Consolidation Treatment, the Residco Claims shall be subject to the Plan Consolidation, including (a) the elimination of the Guarantee Claims pursuant to Section 2.2(a) of the Plan and (b) the treatment of the Lease Claims as Class 3(a) Claims.

11. Execution and Binding Effect of Stockholders Agreement. Any holder of shares of New Common Stock, whether such holder acquires such shares as of the Effective Date or subsequent to the Effective Date, shall be required to enter into the Stockholders Agreement. The Stockholders Agreement shall be binding on all holders of New Common Stock.

12. Distributions. All distributions pursuant to the Plan shall be made in accordance with Article 7 of the Plan and such methods of distribution are approved.

13. Treatment Is in Full Satisfaction. All Plan distributions made to Creditors holding Allowed Claims in any Class are intended to be and shall be in full and final satisfaction of the Debtors' obligations under the Plan except as provided in the Plan (including for the avoidance of doubt, obligations with respect to Claims and agreements being Reinstated under the Plan).

14. Resolution of Claims. The provisions of Article 8 of the Plan, including, without limitation, the provisions governing procedures for resolving Disputed Claims, are fair and reasonable and are approved.

15. Assumption and Rejection of Executory Contracts and Unexpired Leases. Entry of this Order shall, subject to and upon the occurrence of the Effective Date, constitute (a) the authorization and approval, pursuant to sections 365(a) and 1123(b)(2) of the Bankruptcy Code, of the assumption of the executory contracts and unexpired leases (including any related guarantees) assumed pursuant to Section 9.3 of the Plan and as set forth on Schedule 9.1 to the Plan Supplement, and (b) the authorization and approval, pursuant to sections 365(a) and 1123(b)(2) of the Bankruptcy Code, of the rejection of the executory contracts and unexpired leases of the Debtors rejected pursuant to Section 9.1 of the Plan that were not listed on Schedule 9.1 to the Plan Supplement; provided, however, that any executory contract or unexpired lease that (i) has been assumed or rejected pursuant to an order of the Bankruptcy Court entered prior to the Effective Date, (ii) is the subject of a motion to assume or reject pending on the Effective Date, (iii) is listed on Schedule 9.1 to the Plan Supplement, or (iv) as to which a Treatment

Objection has been filed and properly served by the Treatment Objection Deadline shall not be deemed rejected.

16. Assumption Obligations. With respect to any executory contract or unexpired lease to be assumed pursuant to any provision of the Plan or any Notice of Intent to Assume or Reject, unless an Assumption Party files and properly serves a Treatment Objection by the Treatment Objection Deadline, such executory contract or unexpired lease shall be deemed assumed and, if applicable, assigned as of the Assumption Effective Date proposed by the Debtors or Post-Effective Date Debtors, without any further notice to or action by the Bankruptcy Court, and any obligation the Debtors or Post-Effective Date Debtors may have to such Assumption Party with respect to such executory contract or unexpired lease under section 365(b) of the Bankruptcy Code shall be deemed fully satisfied by the Proposed Cure, if any, which shall be the Cure. Any objection to the assumption or assignment of an executory contract or unexpired lease must be timely filed in accordance with Section 9.3(a)(ii) of the Plan. The Debtors, Consolidated Debtors, and Liquidating Debtors shall be deemed to have satisfied each element required for assumption under sections 365 and 1123(b)(2) of the Bankruptcy Code.

17. Assumption of Collective Bargaining Agreements. Each Collective Bargaining Agreement shall be deemed assumed effective as of the Effective Date. Each Collective Bargaining Agreement assumed pursuant to Section 9.7 of the Plan shall vest in and be fully enforceable by the applicable Post-Effective Date Debtor in accordance with its terms, except as modified by the provisions of the Plan or any order of the Bankruptcy Court previously entered with respect to such Collective Bargaining Agreement. The assumption obligations for each of the Collective Bargaining Agreements shall be satisfied by the Post-Effective Date Debtors paying in the ordinary course all obligations arising under the Collective Bargaining

Agreements, including grievance settlements and arbitration awards unless otherwise agreed between the Debtors and the counterparty to the Collective Bargaining Agreement.

18. Reinstated Guarantees. Notwithstanding anything to the contrary herein, any guarantee by RAH of obligations arising under the secured aircraft financings in respect of equipment (as described in section 1110(a)(3) of the Bankruptcy Code) whose F.A.A. Registration Numbers, if any, are set forth in Schedule 4.3 of the Plan will be reinstated and be an obligation of Reorganized RAH on and after the Effective Date in accordance with the agreements governing such guarantees.

19. Deficiency Claims. The unsecured portion of any Claim secured by a Lien on Collateral that was surrendered and returned by the Debtors pursuant to order of the Bankruptcy Court after the Commencement Date shall be deemed a General Unsecured Claim against the applicable Debtor in an amount, if any, to be determined pursuant to section 506(a)(1) of the Bankruptcy Code and resolved in accordance with the Plan.

20. Bar Date for Filing Proofs of Claim Relating to Executory Contracts and Unexpired Leases Rejected Pursuant to the Plan. Any Rejection Claim must be filed with the Claims Agent by the Rejection Bar Date, which is 30 days after the Debtors serve notice of the entry of an order approving the rejection of such executory contract or unexpired lease. Any Rejection Claim for which a Proof of Claim is not properly filed and served by the Rejection Bar Date shall be forever barred and shall not be enforceable against the Debtors, the Post-Effective Date Debtors, or their respective Estates or properties. The Debtors or the Post-Effective Date Debtors, as applicable, may contest any Rejection Claim in accordance with Section 8.1 of the Plan.

21. Vesting of Assets in the Post-Effective Date Debtors. Upon the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all property (including all interests, rights, and privileges with respect thereto) of each of the Debtors shall vest in each of the respective Post-Effective Date Debtors free and clear of all Claims, Liens, encumbrances, charges, and other interests, except as otherwise specifically provided in the Plan. All Liens, Claims, encumbrances, charges, and other interests shall be deemed fully released and discharged as of the Effective Date, except as otherwise provided in the Plan (including, for the avoidance of doubt, Liens, Claims, encumbrances, charges, and other interests in connection with those agreements related to Claims being Reinstated under the Plan). As of the Effective Date, the Post-Effective Date Debtors may operate their businesses and may use, acquire, and dispose of property and settle and compromise Claims and Interests without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules and in all respects as if there were no pending cases under any chapter or provision of the Bankruptcy Code.

22. Exemption from Transfer Taxes. Pursuant to section 1146(a) of the Bankruptcy Code, the issuance, Transfer or exchange of equity securities under the Plan, the creation, the filing or recording of any mortgage, deed of trust or other security interest, the making, assignment, filing or recording of any lease or sublease, the transfer of title to or ownership of any of the Debtors' interests in any property, including Aircraft Equipment, or the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, including, without limitation, the Plan Documents, the New Common Stock, and any agreements of consolidation, deeds, bills of sale or assignments executed in connection with any of the transactions contemplated under the Plan, shall not be subject to any



document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, FAA filing or recording fee, or other similar tax or governmental assessment in the United States. Federal, state, and local governmental officials, as applicable, and their respective agents shall accept the foregoing for filing and recordation and forego the collection of any such tax or governmental assessment.

23. Transfers by Debtors. All transfers of property of the Debtors' estates shall be free and clear of all Liens, charges, Claims, encumbrances, and other interests, except as expressly provided in the Plan or this Order.

24. Securities Exempt from Registration. To the maximum extent provided by section 1145 of the Bankruptcy Code and applicable non-bankruptcy law, the offer, issuance, and distribution under the Plan of the New Common Stock will be exempt from registration under the Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder and any state or local law requiring registration prior to the offering, issuance, distribution, or sale of securities. The offer, issuance, and distribution of the New Common Stock is or was in exchange for Claims against the Debtors within the meaning of section 1145(a)(1) of the Bankruptcy Code. Furthermore, the issuance of New Common Stock pursuant to the Management Equity Plan and related employment agreements (if any) shall be exempt from registration pursuant to section 4(2) of the Securities Act.

25. Discharge and Injunction. Except as otherwise specifically provided in the Plan or in this Confirmation Order, the rights afforded in the Plan and the payments and distributions to be made hereunder shall discharge all existing debts, Causes of Action and Claims, and shall terminate all Interests of any kind, nature or description whatsoever against or

in the Debtors or any of their assets or properties to the fullest extent permitted by section 1141 of the Bankruptcy Code. Except as otherwise specifically provided in the Plan or in this Confirmation Order, upon the Effective Date, all existing Claims and Causes of Action against the Debtors and Interests in the Debtors shall be, and shall be deemed to be, discharged and terminated, and all holders of Claims, Causes of Action and Interests (and all representatives, trustees or agents on behalf of each holder) shall be precluded and enjoined from asserting against the Post-Effective Date Debtors, their successors or assignees, or any of their assets or properties, any other or further Claim, Cause of Action or Interest based upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date, whether or not such holder has filed a Proof of Claim and whether or not the facts or legal bases therefore were known or existed prior to the Effective Date. This Confirmation Order is a judicial determination of the discharge of all Claims or Causes of Action against, liabilities of and Interests in the Debtors, subject to the occurrence of the Effective Date.

26. Upon the Effective Date and in consideration of the distributions to be made under the Plan, except as otherwise provided herein, each holder (as well as any representatives, trustees or agents on behalf of each holder) of a Claim, Cause of Action or Interest and any Affiliate of such holder shall be deemed to have forever waived, released, and discharged the Debtors, to the fullest extent permitted by section 1141 of the Bankruptcy Code, of and from any and all Claims, Causes of Action, Interests, rights and liabilities that arose prior to the Effective Date. Upon the Effective Date, all such persons shall be forever precluded and enjoined, pursuant to section 524 of the Bankruptcy Code, from prosecuting or asserting any such discharged Claim or Cause of Action against, or terminated Interest in, the Debtors. Except as otherwise expressly provided in the Plan, all persons or entities who have held, hold or may

hold Claims, Causes of Action or Interests and all other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, representatives and Affiliates, are permanently enjoined, from and after the Effective Date, from (i) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim (including, without limitation, a Section 510(b) Claim), Cause of Action or Interest against the Debtors, the Post-Effective Date Debtors or property of any Debtors or Post-Effective Date Debtors, other than to enforce any right to a distribution pursuant to the Plan, (ii) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree or order against the Debtors, the Post-Effective Date Debtors or property of any Debtors or Post-Effective Date Debtors, other than to enforce any right to a distribution pursuant to the Plan, (iii) creating, perfecting or enforcing any Lien or encumbrance of any kind against the Debtors or Post-Effective Date Debtors or against the property or interests in property of the Debtors or Post-Effective Date Debtors other than to enforce any right to a distribution pursuant to the Plan or (iv) asserting any right of set-off, subrogation or recoupment of any kind against any obligation due from the Debtors or Post-Effective Date Debtors or against the property or interests in property of the Debtors or Post-Effective Date Debtors, with respect to any such Claim, Cause of Action or Interest. Such injunction shall extend to any successors or assignees of the Debtors and Post-Effective Date Debtors and their respective properties and interest in properties.

27. Terms of Existing Injunctions or Stays. Unless otherwise provided in the Plan, any injunction or stay arising under or entered during the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code or otherwise that is in existence on the Confirmation Date

shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay.

28. Exculpation. Pursuant to the Plan and to the maximum extent permitted by applicable law, none of the Exculpated Parties shall have or incur any liability to any holder of a Claim, Cause of Action or Interest for any act or omission in connection with, related to or arising out of, the Chapter 11 Cases, the negotiation of any settlement or, agreement, contract, instrument, release or document created or entered into in connection with the Plan or in the Chapter 11 Cases (including the DIP Facility and documents related thereto), the pursuit of confirmation of the Plan, the consummation of the Plan, the preparation and distribution of the Disclosure Statement, the offer, issuance and distribution of any securities issued or to be issued pursuant to the Plan, any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors or the administration of the Plan or the property to be distributed under the Plan, except for any act or omission that is determined in a final order to have constituted willful misconduct or gross negligence. Each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Plan.

29. Release by the Debtors. Pursuant to section 1123(b) of the Bankruptcy Code, to the maximum extent permitted by applicable law, and except as otherwise specifically provided in the Plan, on and after the Effective Date, in exchange for their cooperation, the Released Parties shall be deemed released and discharged by the Debtors, the Post-Effective Date Debtors and their Estates from any and all Claims, obligations, debts, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of the Debtors, their Estates and/or the Post-Effective Date Debtors, whether known or

unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that the Debtors, the Post-Effective Date Debtors, their estates or their affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other entity or that any holder of a Claim or Interest or other entity would have been legally entitled to assert for or on behalf of the Debtors, their estates or the Post-Effective Date Debtors, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Post- Effective Date Debtors, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Post-Effective Date Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party excluding any assumed executory contract or lease, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Disclosure Statement, the related Plan Supplement, or related agreements, instruments or other documents, or upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct or gross negligence; provided, however, that if any Released Party directly or indirectly brings or asserts any Claim or Cause of Action in any way arising out of or related to any document or transaction that was in existence prior to the Effective Date against the Debtors, the Post-Effective Date Debtors or any of their respective Affiliates, officers, directors, members, employees, advisors, actuaries, attorneys, financial advisors, investment bankers, professionals or agents, then the release set forth in Section 11.8 of the Plan (but not any release or indemnification or any other rights or claims granted under any other

section of the Plan or under any other document or agreement) shall automatically and retroactively be null and void ab initio with respect to such Released Party bringing or asserting such Claim or Cause of Action; provided, further that the immediately preceding clause shall not apply to any action by a Released Party in the Bankruptcy Court (or any other court determined to have competent jurisdiction), including any appeal therefrom, to (i) enforce such Released Party's rights against the Debtors and/or the Post-Effective Date Debtors under the Plan, this Confirmation Order, any postpetition or assumed contract, or (ii) prosecute the amount, priority or secured status of any prepetition or ordinary course administrative Claim against the Debtors, in each case, however, the Debtors shall retain all defenses related to such action.

30. Voluntary Releases by the Holders of Claims and Interests. Except as otherwise specifically provided in the Plan, for good and valuable consideration, on and after the Effective Date, to the maximum extent permitted by applicable law, holders of Claims that (a) vote to accept the Plan or (b) vote to reject the Plan and affirmatively elect (as permitted on the Ballots) to provide the releases contained in Section 11.9 shall be deemed to have conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged the Debtors, the Post-Effective Date Debtors and the Released Parties from any and all claims, equity interests, obligations, debts, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of the Debtors, their estates and/or the Post-Effective Date Debtors, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that such entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Post-Effective Date Debtors, the restructuring, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any

security of the Debtors or the Post-Effective Date Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party excluding any assumed executory contract or lease, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Disclosure Statement, the related Plan Supplement or related agreements, instruments or other documents, or upon any other act or omission, transaction, agreement, event, or other occurrence related to the Debtors taking place on or before the Effective Date other than claims or liabilities arising out of or relating to any act or omission of a Released Party that is determined in a Final Order to have constituted willful misconduct or gross negligence and excluding, for the avoidance of doubt, any Claim that is the subject of a Proof of Claim, a timely filed Administrative Claim or any Administrative Claim for which no filing is required; *provided* that (i) any holder of a Claim that votes to reject the Plan and does not affirmatively elect to provide the releases contained in this paragraph shall not receive the benefit of the releases set forth in this paragraph (even if for any reason otherwise entitled) and (ii) nothing contained in Section 11.9 of the Plan shall limit the releases provided in Section 11.8 of the Plan.

31. Special Provisions for Governmental Units. As to the United States of America, its agencies, departments, or agents (collectively, the “United States”), nothing in the Plan or this Confirmation Order shall limit or expand the scope of discharge, release or injunction to which the Debtors or Post-Effective Date Debtors are entitled to under the Bankruptcy Code, if any. The discharge, release, and injunction provisions contained in the Plan and this Confirmation Order are not intended and shall not be construed to bar the United States from, subsequent to the date of this Confirmation Order, pursuing any police or regulatory

action. Accordingly, notwithstanding anything contained in the Plan or this Confirmation Order to the contrary, nothing in the Plan or this Confirmation Order shall discharge, release, impair or otherwise preclude: (1) any liability to the United States that is not a “claim” within the meaning of section 101(5) of the Bankruptcy Code; (2) any Claim of the United States arising on or after the Confirmation Date; (3) any valid right of setoff or recoupment of the United States against any of the Debtors; or (4) any liability of the Debtors or Post-Effective Date Debtors under police or regulatory statutes or regulations to any Governmental Unit (as defined by section 101(27) of the Bankruptcy Code) as the owner, lessor, lessee or operator of property that such entity owns, operates or leases after the Confirmation Date. Nor shall anything in this Confirmation Order or the Plan: (i) enjoin or otherwise bar the United States or any Governmental Unit from asserting or enforcing, outside the Bankruptcy Court, any liability described in the preceding sentence; or (ii) divest any court, commission, or tribunal of jurisdiction to determine whether any liabilities asserted by the United States or any Governmental Unit are discharged or otherwise barred by this Confirmation Order, the Plan, or the Bankruptcy Code.

32. Moreover, nothing in this Confirmation Order or the Plan shall release or exculpate any non-debtor, including any Released Parties, from any liability to the United States, including but not limited to any liabilities arising under the Internal Revenue Code, the environmental laws, or the criminal laws against the Released Parties, nor shall anything in this Confirmation Order or the Plan enjoin the United States from bringing any claim, suit, action or other proceeding against the Released Parties for any liability whatsoever; provided, however, that the foregoing sentence shall not limit the scope of discharge granted to the Debtors under sections 524 and 1141 of the Bankruptcy Code.



33. Nothing contained in the Plan or this Confirmation Order shall be deemed to determine the tax liability of any person or entity, including but not limited to the Debtors and the Post-Effective Date Debtors, nor shall the Plan or this Confirmation Order be deemed to have determined the federal tax treatment of any item, distribution, or entity, including the federal tax consequences of the Plan, nor shall anything in the Plan or this Confirmation Order be deemed to have conferred jurisdiction upon the Bankruptcy Court to make determinations as to federal tax liability and federal tax treatment except as provided under 11 U.S.C. § 505. Neither Agencia Especial de Financiamiento Industrial – FINAME, nor Banco Nacional de Desenvolvimento Economico e Social shall be considered ‘governmental units’ for purposes of paragraphs 31-33 of this Confirmation Order.

34. Limitation of Liability. The Debtors, the Consolidated Debtors, the Liquidating Debtors and each of their respective Agents shall have all of the benefits and protections afforded under Section 1125(e) of the Bankruptcy Code and applicable law.

35. Retention of Jurisdiction. On and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction, to the fullest extent permissible under law, over all matters arising out of and related to the Chapter 11 Cases for, among other things, the following purposes:

- (a) To hear and determine all matters with respect to the assumption or rejection of executory contracts or unexpired leases and the allowance of Cure amounts and Claims resulting therefrom;
- (b) To hear and determine any motion, adversary proceeding, application, contested matter, or other litigated matter pending on or commenced after the Confirmation Date;
- (c) To hear and determine all matters with respect to the allowance, disallowance, liquidation, classification, priority, or estimation of any Claim;
- (d) To ensure that distributions to holders of Allowed Claims are accomplished as provided in the Plan;

- (e) To hear and determine all applications for compensation and reimbursement of Professional Fee Claims;
- (f) To hear and determine all matters with respect to the Merger;
- (g) To hear and determine all matters with respect to the Plan Consolidation.
- (h) To hear and determine any application to modify the Plan in accordance with section 1127 of the Bankruptcy Code, to remedy any defect or omission, or reconcile any inconsistency in the Plan, the Disclosure Statement, or any order of the Bankruptcy Court, including this Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;
- (i) To hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan, this Confirmation Order, any transactions or payments contemplated hereby, or any agreement, instrument, or other document governing or relating to any of the foregoing;
- (j) To hear and determine disputes arising in connection with Section 11.9 of the Plan;
- (k) To issue injunctions, enter and implement other orders, and take such other actions as may be necessary or appropriate to restrain interference by any person with the consummation, implementation, or enforcement of the Plan, this Confirmation Order, or any other order of the Bankruptcy Court;
- (l) To issue such orders as may be necessary to construe, enforce, implement, execute, and consummate the Plan;
- (m) To enter, implement, or enforce such orders as may be appropriate in the event this Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;
- (n) To hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code (including the expedited determination of tax under section 505(b) of the Bankruptcy Code);
- (o) To hear and determine any other matters related to the Plan and not inconsistent with the Bankruptcy Code;
- (p) To recover all assets of the Debtors and property of the Debtors' Estates, which shall be for the benefit of the Post-Effective Date Debtors, wherever located;
- (q) To hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge;

(r) To hear and determine any rights, Claims, or Causes of Action held by or accruing to the Debtors or the Post-Effective Date Debtors pursuant to the Bankruptcy Code or pursuant to any federal or state statute or legal theory, which shall be for the benefit of the Post-Effective Date Debtors;

(s) To enforce all orders, judgments, injunctions, releases, exculpations, indemnifications, and rulings entered in connection with the Chapter 11 Cases with respect to any Person;

(t) To hear any other matter not inconsistent with the Bankruptcy Code; and

(u) To determine any other matters that may arise in connection with or are related to the Plan, the Disclosure Statement, the Approval Order, this Confirmation Order, any of the Plan Documents, or any other contract, instrument, release, or other agreement or document related to the Plan, the Disclosure Statement, or the Plan Supplement.

36. Effectuating Documents and Further Transactions. On or before the Effective Date, and without the need for any further order or authority, the Debtors shall file with the Court or execute, as appropriate, such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Post-Effective Date Debtors are authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan and any securities issued pursuant to the Plan.

37. Withholding and Reporting Requirements. The Post-Effective Date Debtors shall be authorized to take all actions necessary to comply with applicable withholding and reporting requirements. Pursuant to section 346(f) of the Bankruptcy Code, the Post-Effective Date Debtors shall be entitled to deduct any federal, state, or local withholding taxes from any Cash payments made with respect to Allowed Claims, distributing party may withhold an appropriate portion of such distributed property and sell such withheld property to generate Cash necessary to pay over the withholding tax. Any amounts withheld pursuant to the preceding

sentence shall be deemed to have been distributed to and received by the applicable recipient for all purposes of the Plan. Notwithstanding the foregoing, each holder of an Allowed Claim or any other Person that receives a distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction or payment of any taxes imposed by any governmental unit, including, without limitation, income, withholding, and other taxes, on account of such distribution. Any party issuing any instrument or making any distribution pursuant to the Plan has the right, but not the obligation, to not make a distribution until such holder has made arrangements satisfactory to such issuing or disbursing party for payment of any such tax obligations. For tax purposes, distributions received in respect of Allowed Claims will be allocated first to the principal amount of such Claims, with any excess allocated to unpaid accrued interest and original issue discount, if any.

38. Payment of Statutory Fees. All fees payable pursuant to section 1930(a) of title 28 of the United States Code and/or section 3717 of title 31 of the United States Code, as determined by the Bankruptcy Court, shall be paid for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

39. Dissolution of the Committee. On the Effective Date, the Committee shall be dissolved and the members of the Committee shall be released and discharged from any further authority, duties, responsibilities, liabilities, and obligations related to, or arising from, the Chapter 11 Cases, except that the Committee shall continue in existence and have standing and capacity to prepare and prosecute (i) applications for compensation by professionals and requests for reimbursement of expenses incurred by the Committee or any of the estates' Professionals, and (ii) any motions or other actions seeking enforcement or implementation of

the provisions of the Plan or this Confirmation Order or pending appeals of Orders entered in the Chapter 11 Cases.

40. Professional Fees. All entities seeking an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses incurred through the last day of the calendar month preceding the Effective Date pursuant to sections 327, 328, 330, 331, 503 and/or 1103 of the Bankruptcy Code must file their applications for allowance of such compensation or reimbursement no later than sixty (60) days after the Effective Date. The Post-Effective Date Debtors are authorized to pay compensation for professional services rendered and reimbursement of expenses incurred after the last day of the calendar month immediately preceding the Effective Date in the ordinary course and without the need for Court approval.

41. Release of Certain Avoidance Actions. On the Effective Date, the Post-Effective Date Debtors shall be deemed to waive and release all Avoidance Actions pursuant to section 547 of the Bankruptcy Code unless such Avoidance Action is listed on Schedule 11.12 to the Plan Supplement; *provided that*, except as expressly provided in this Confirmation Order or in Article 11 of the Plan, the Post-Effective Date Debtors shall retain the right to assert any Claims assertable in any Avoidance Action as defenses or counterclaims in any Cause of Action brought by any Creditor. The Post-Effective Date Debtors shall retain the right, after the Effective Date, to prosecute any of the Avoidance Actions listed on Schedule 11.12 to the Plan Supplement.

42. Reservation of Rights. For the avoidance of doubt, nothing in the Plan or this Confirmation Order will modify the rights or claims of (i) American under the order authorizing and approving assumption and amendment to the Debtors' Codeshare Agreement with American Airlines Inc. [Docket No. 1028]; (ii) Delta under the order authorizing

assumption and amendment to the Debtors' Codeshare Agreement with Delta Air Lines, Inc. [Docket No. 506]; and (iii) United under the *Order Pursuant to 11 U.S.C. § 363 and Fed. R. Bankr. P. 6004 Authorizing Debtors to Enter Into Sale Leaseback Transactions with DBD Mesa LLC for Five Embraer E170-100SE Aircraft* [Docket No. 1438] and the orders authorizing and approving assumptions and/or amendments to the Debtors' Codeshare Agreement with United Airlines, Inc. [Docket Nos. 678, 1286].

43. Conditions to Effective Date. The Plan shall not become effective unless and until the conditions set forth in Section 12.1 of the Plan are satisfied or waived pursuant to Section 12.2 of the Plan.

44. Withdrawal of Plan. If the Effective Date does not occur (i) on or prior to 60 calendar days after the Confirmation Date or (ii) with the consent of the Committee, on or prior to 120 days after the Confirmation Date, and the Debtors file a notice of revocation on the Bankruptcy Court's docket, then, absent further order of the Bankruptcy Court (a) the Plan shall be null and void in all respects, (b) any settlement or compromise not previously approved by Final Order of the Bankruptcy Court embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Interest or Class of Claims or Interests), assumption or rejection of executory contracts or leases effected by the Plan and any document or agreement executed pursuant hereto, shall be deemed null and void, and (c) nothing contained in the Plan shall (1) constitute a waiver or release of any Claims by or against, or any Interests in, such Debtors or any other Person, (2) prejudice in any manner the rights of such Debtors or any other Person or (3) constitute an admission of any sort by the Debtors or any other Person.

45. Reversal, Modification, or Vacatur of Order. If any of the provisions of this Order are hereafter reversed, modified, or vacated by a subsequent order of the Court or any

other court, such reversal, modification, or vacatur shall not affect the validity of the acts or obligations incurred or undertaken under, or in connection with, the Plan prior to receipt of written notice of such order by the Debtors. Notwithstanding any such reversal, modification, or vacatur of this Order, any such act or obligation incurred or undertaken pursuant to, and in reliance on, this Order prior to the effective date of such reversal, modification, or vacatur shall be governed in all respects by the provisions of this Order, the Plan, all documents relating to the Plan and any amendments or modifications to any of the foregoing.

46. Notice of Entry of Confirmation Order. Pursuant to Bankruptcy Rules 2002(f)(7), 2002(k), and 3020(c), the Post-Effective Date Debtors shall file and serve notice of entry of this Order in substantially the form annexed hereto as Exhibit B (the “Notice of Entry of Confirmation Order”) on all Creditors and holders of Interest, the U.S. Trustee, and all other parties in interest entitled to receive notice in these Chapter 11 Cases, by causing the Notice of Entry of Confirmation Order to be delivered to such parties by electronic mail or overnight delivery, within fourteen (14) days after entry of this Order. The Notice of Entry of Confirmation Order shall also be posted on the website of the Debtors’ Court-appointed solicitation agent, Prime Clerk LLC (“Prime Clerk”) at: <https://cases.primeclerk.com/rjet>. Such notice is adequate and no other or further notice is necessary.

47. Notice of the Effective Date. As soon as practicable following the Effective Date, the Post-Effective Date Debtors shall file and serve a notice of the effective date (the “Notice of Effective Date”) in the manner required under Bankruptcy Rule 2002(f). The notice shall further identify the Effective Date and shall set forth the Administrative Claim Bar Date, the Rejection Claims Bar Date, and any other deadlines that may be established under the Plan or this Order. The Notice of Effective Date shall also be posted on Prime Clerk’s website

at: <https://cases.primeclerk.com/rjet>. Such notice is adequate and no other or further notice is necessary.

48. Substantial Consummation. On the Effective Date, the Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

49. Governing Law. Except to the extent that the Bankruptcy Code, Bankruptcy Rules, or other federal law is applicable, or to the extent an exhibit hereto or a schedule or Plan Document provide otherwise, the rights, duties, and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, excluding conflict of law provisions that would give rise to a choice of law other than the laws of the State of New York.

50. Conflicts Between Order and Plan. To the extent of any inconsistency between the provisions of the Plan and this Confirmation Order, the terms and provisions contained in this Confirmation Order shall govern. The provisions of this Confirmation Order are integrated with each other and are nonseverable and mutually dependent unless expressly stated by further order of the Court.

51. Final Order; Waiver of Stay. This Confirmation Order shall constitute a final order and the period in which an appeal must be filed shall commence upon the entry hereof. Any stay of this Confirmation Order provided by any Bankruptcy Rule (including, but not limited to, Bankruptcy Rule 3020(e)) is hereby waived, and this Confirmation Order shall be effective and enforceable immediately after its entry by the Court and the satisfaction or proper waiver of all other conditions to the occurrence of the Effective Date in accordance with the Plan.



52. Reports and Final Decree. The Debtors shall promptly upon the full administration of this case seek the entry of a final decree under Bankruptcy Rule 3022 closing this case and, pending such request, file a report every 6 months with respect to the implementation of the Plan.

Date: April 20, 2017  
New York, New York

/s/ Sean H. Lane  
HONORABLE SEAN H. LANE  
United States Bankruptcy Judge

**EXHIBIT A**  
**(The Plan)**

**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.<sup>1</sup>** : **(Jointly Administered)**

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**DEBTORS' SECOND AMENDED JOINT PLAN OF REORGANIZATION  
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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Dated: December 19, 2016

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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.

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## INTRODUCTION

Pursuant to section 1121(a) of the Bankruptcy Code,<sup>1</sup> the Debtors in the above-captioned jointly administered Chapter 11 Cases propose the Plan. The Debtors are the proponents of the Plan under section 1129 of the Bankruptcy Code. A complete list of the Debtors is set forth below. The list identifies each Debtor by its case number in these Chapter 11 Cases and Tax Identification Number.

<u>Debtor</u>	<u>Case Number</u>	<u>Tax ID Number</u>
Republic Airways Holdings Inc.	16-10429	06-1449146
Republic Airways Services, Inc.	16-10426	26-2882301
Republic Airline Inc.	16-10428	06-1562737
Shuttle America Corporation	16-10427	76-0491397
Midwest Air Group, Inc.	16-10430	39-1828757
Midwest Airlines, Inc.	16-10431	39-1440079
Skyway Airlines, Inc.	16-10432	36-3924344

Reference is made to the Disclosure Statement with respect to the Plan, distributed contemporaneously herewith, for a discussion of the Debtors' history, businesses, properties, operations, risk factors, a summary and analysis of the Plan, and certain related matters. Subject to the restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, the Debtors reserve the right to alter, amend, modify, revoke, or withdraw the Plan in the manner set forth herein prior to consummation of the Plan. THIS PLAN SHOULD BE CONSIDERED ONLY IN CONJUNCTION WITH THE DISCLOSURE STATEMENT AND RELATED MATERIALS TRANSMITTED THEREWITH. THE DISCLOSURE STATEMENT IS INTENDED TO PROVIDE YOU WITH THE INFORMATION THAT YOU NEED TO MAKE AN INFORMED JUDGMENT WHETHER TO ACCEPT OR REJECT THE PLAN.

The Plan provides for the substantive consolidation of the Debtors other than the Liquidating Debtors, the reorganization and continued operation of the Consolidated Debtors, and the liquidation of the Liquidating Debtors. The Plan also provides for the classification and treatment of all Claims against the Debtors and the cancellation of all Interests in RAH. Subject to the specific provisions set forth in this Plan, priority claims will be paid in full, secured claims will be unimpaired, and holders of Allowed general unsecured claims against the Consolidated Debtors, will, on account of and in full satisfaction of their claims, receive either (i) cash in an amount equal to 45% of the Allowed amount of its claims, up to a maximum distribution of \$225,000 or (ii) New Common Stock to be issued by the corporate parent—Reorganized RAH. Holders of general unsecured claims against the Liquidating Debtors, if any, and holders of Interests in RAH, will receive no distribution. In addition, Republic Airline and Shuttle will merge and operate under Republic Airline's air carrier certificate.

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1. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in Section 1.1 of the Plan.



Pursuant to section 1125(b) of the Bankruptcy Code, votes to accept or reject a plan of reorganization cannot be solicited from holders of Claims or Interests entitled to vote on a plan until a disclosure statement has been approved by a bankruptcy court and distributed to such holders. On December 23, 2016, the Bankruptcy Court entered the Approval Order that, among other things, approved the Disclosure Statement, set voting procedures, and scheduled the Confirmation Hearing.

## ARTICLE 1 DEFINITIONS AND RULES OF INTERPRETATION

### Section 1.1. Definitions

As used in the Plan, capitalized terms not otherwise defined herein shall have the meanings specified in Article 1 of the Plan. Unless the context requires otherwise, any capitalized term used and not defined in the Plan, but that is defined in the Bankruptcy Code, shall have the meaning assigned to that term in the Bankruptcy Code.

As used in this Plan, the following terms have the meanings specified below:

1. “**Administrative Claim**” means a Claim for payment of an administrative expense of a kind specified in section 503(b) of the Bankruptcy Code and entitled to priority pursuant to section 507(a)(2) of the Bankruptcy Code, including, but not limited to, DIP Facility Claims, Other Administrative Claims, and Professional Fee Claims.

2. “**Administrative Claim Bar Date**” means the forty-fifth (45th) day after the Effective Date, by which date certain entities asserting an Other Administrative Claim against any of the Debtors must have filed a request for payment with the Bankruptcy Court under section 503(a) of the Bankruptcy Code, or be forever barred from asserting an Other Administrative Claim against the Debtors and/or sharing in any distribution under the Plan.

3. “**Affiliate**” has the meaning set forth in section 101(2) of the Bankruptcy Code.

4. “**Aircraft Equipment**” means any and all aircraft, aircraft engine, propeller, appliance, spare part and such other equipment and related records and documents as described in section 1110(a)(3) of the Bankruptcy Code.

5. “**Aircraft Secured Claim**” means a Secured Claim secured by a valid, perfected, and enforceable Lien on any of the Debtors’ Aircraft Equipment.

6. “**Allowed**” means, when used in reference to a Claim, all or that portion, as applicable, of any Claim against any Debtor (i) that has been listed by the Debtors in the Schedules, as such Schedules may be amended by the Debtors from time to time, as liquidated in amount and not disputed or Contingent, and for which no contrary or superseding Proof of Claim has been filed, (ii) that has been expressly allowed by Final Order or under the Plan, (iii) that has been compromised, settled or otherwise resolved pursuant to the Claims Settlement Procedures Order, another Final Order of the Bankruptcy Court or Section 8.4 of the Plan or (iv) that the Debtors do not timely object to in accordance with Section 8.1 of the Plan; *provided, however*, that Claims allowed solely for the purpose of voting to accept or reject the Plan shall not be

considered “Allowed” for any other purpose under the Plan or otherwise, except if and to the extent otherwise determined to be Allowed as provided herein. Unless otherwise specified under the Plan, under the Bankruptcy Code, by order of the Bankruptcy Court or as otherwise agreed by the Debtors, Allowed Claims shall not, for any purpose under the Plan, include any interest, costs, fees or charges on such Claims from and after the Commencement Date.

7. “**Amended Bylaws**” means the bylaws or other analogous organizational document of Reorganized RAH, which shall be substantially in the form set forth in the Plan Supplement.

8. “**Amended Certificate of Incorporation**” means the certificate of incorporation or other analogous organizational document of Reorganized RAH, which shall be substantially in the form set forth in the Plan Supplement.

9. “**American**” means American Airlines, Inc.

10. “**Approval Order**” means the Order Pursuant to 11 U.S.C. §§ 105(a), 1125, 1126 & 1128, Fed. R. Bankr. P. 2002, 3017, 3018 & 3020, and Local Bankruptcy Rules 3018-1 & 3020-1 (i) Approving Disclosure Statement, (ii) Establishing Solicitation and Voting Procedures, and (iii) Approving Form and Manner of Notices, entered by the Bankruptcy Court on December 23, 2016 [ECF No. 1358].

11. “**Assumption Effective Date**” means the date upon which the assumption of an executory contract or unexpired lease under the Plan is deemed effective, which in no case shall be later than the Effective Date unless otherwise agreed by the relevant Assumption Party.

12. “**Assumption Party**” means a counterparty to an executory contract or unexpired lease to be assumed and/or assigned by the Debtors under the Plan.

13. “**Avoidance Actions**” means all causes of action of the Estates under Sections 506(c), 506(d), 510, 542, 543, 544, 545, 547, 548, 549, 550 and 553 of the Bankruptcy Code, whether or not such actions seek an affirmative recovery or are raised as a defense to, or offset against, the allowance of a Claim.

14. “**Ballot**” means the voting form distributed to each holder of an Impaired Claim entitled to vote, on which the holder is to indicate acceptance or rejection of the Plan in accordance with the Voting Instructions and make any other elections or representations required pursuant to the Plan or the Approval Order.

15. “**Bankruptcy Code**” means title 11 of the United States Code, as now in effect or hereafter amended, to the extent applicable to the Chapter 11 Cases.

16. “**Bankruptcy Court**” means the United States Bankruptcy Court for the Southern District of New York with jurisdiction over the Chapter 11 Cases.

17. “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court, each as now in effect or as hereafter amended, to the extent applicable to the Chapter 11 Cases.

18. “**Bar Date Order**” means the Order Pursuant to 11 U.S.C. § 502(b)(9), Fed. R. Bankr. P. 2002 and 3003(c)(3), and Local Bankruptcy Rule 3003-1 (I) Establishing Deadline for Filing Proofs of Claim and Procedures Relating Thereto, entered by the Bankruptcy Court on June 13, 2016 [ECF No. 649].

19. “**Beneficial Ownership**” means, with respect to any security, having “beneficial ownership” of such security (as determined pursuant to Rule 13d-3 of the Securities Exchange Act of 1934).

20. “**Board**” means, as of any date, the then-existing board of directors of RAH, including any duly-formed committee thereof.

21. “**Business Day**” means any day other than a Saturday, a Sunday, a “legal holiday” (as defined in Bankruptcy Rule 9006(a)), or any other day on which banking institutions in New York, New York are required or authorized to close by law or executive order.

22. “**Case Information Website**” means <https://cases.primeclerk.com/rjet/>.

23. “**Case Management Order**” means the Order Pursuant to 11 U.S.C. § 105(a) & Fed. R. Bank. P. 1015(c), 2002(m) & 9007 Implementing Certain Notice and Case Management Procedures, entered by the Bankruptcy Court on March 2, 2016 [ECF No. 70].

24. “**Cash**” means legal tender of the United States of America or equivalents thereof, including, without limitation, payment in such tender by check, wire transfer or any other customary payment method.

25. “**Causes of Action**” means, without limitation, any and all actions, proceedings, causes of action, controversies, liabilities, obligations, rights, rights of set-off, recoupment rights, suits, damages, judgments, accounts, defenses, offsets, powers, privileges, licenses, franchises, Claims, counterclaims, cross-claims, affirmative defenses and demands of any kind or character whatsoever, whether known or unknown, asserted or unasserted, reduced to judgment or otherwise, liquidated or Unliquidated, fixed or contingent, matured or unmatured, disputed or undisputed, secured or unsecured, assertable directly or derivatively, existing or hereafter arising, in contract or in tort, in law, in equity or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Commencement Date or during the course of the Chapter 11 Cases, including through the Effective Date.

26. “**Certificate of Merger**” means the certificate of merger to be executed, acknowledged, and filed with the Secretary of State of the State of Indiana in accordance with the Indiana Business Corporation Law.

27. “**Chapter 11 Cases**” means the cases under chapter 11 of the Bankruptcy Code commenced by the Debtors on the Commencement Date, with case numbers as set forth in the Introduction to the Plan, that are jointly administered in the case styled *In re Republic Airways Holdings Inc.*, Case No. 16-10429 (SHL).

28. “**Claim**” means a “claim,” as defined in section 101(5) of the Bankruptcy Code.

29. “**Claims Agent**” means Prime Clerk LLC, which is located at 830 Third Avenue, 9<sup>th</sup> Floor, New York, NY 10022.

30. “**Claims Objection Deadline**” means 11:59 p.m. (prevailing Eastern Time) on the 180<sup>th</sup> calendar day after the Effective Date, subject to further extensions and/or exceptions as may be ordered by the Bankruptcy Court.

31. “**Claims Settlement Procedures Order**” means the Order Pursuant to 11 U.S.C. §§ 105(a), 363(b) & 502(a) and Fed. R. Bankr. P. 9019(b) Establishing Procedures for Settling Certain Claims, entered by the Bankruptcy Court on April 27, 2016 [ECF No. 475].

32. “**Claims Trading Order**” means the Final Trading Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Claims Against and Interests in the Debtors’ Estates, entered by the Bankruptcy Court on March 23, 2016 [ECF No. 206].

33. “**Class**” means any group of Claims or Interests classified by the Plan pursuant to section 1122(a) of the Bankruptcy Code.

34. “**Class 3(a) General Unsecured Claims**” means General Unsecured Claims against the Consolidated Debtors.

35. “**Class 3(a) Distribution Date**” means (i) the Initial Distribution Date, (ii) each Interim Distribution Date, and/or (iii) the Final Distribution Date.

36. “**Codeshare Agreements**” means, collectively and each as amended, restated, supplemented, or otherwise modified as of the Effective Date, (i) the Capacity Purchase Agreement dated January 23, 2013 between American and Republic Airline; (ii) the Delta Connection Agreement dated and effective January 13, 2005 by and among Delta, Shuttle, and Republic Airline; and (iii) the United Express Agreement dated as of December 28, 2006, United Contract # 172884 by and among United, Shuttle, and Republic Airline.

37. “**Collateral**” means any property or interest in property of the Debtors subject to a Lien to secure the payment or performance of a Claim, which Lien is not subject to avoidance and is not otherwise invalid under the Bankruptcy Code or other applicable law.

38. “**Collective Bargaining Agreements**” means, collectively, (i) the Agreement between Shuttle, Republic Airline, and the Flight Dispatchers in the employ of Shuttle and Republic Airline, as represented by the Transport Workers Union of America AFL-CIO, dated as of August 1, 2013, as amended; (ii) the Agreement between Shuttle, Republic Airline, and the Flight Attendants in the Service of Shuttle and Republic Airline as represented by the International Brotherhood of Teamsters, Airline Division, dated as of July 30, 2013, as amended; and (iii) the 2015 Pilot Agreement, dated as of October 29, 2015, between Shuttle, Republic Airline, and the International Brotherhood of Teamsters, Airline Division.

39. “**Commencement Date**” means February 25, 2016, the date on which the Debtors commenced the Chapter 11 Cases, and, where relevant, the time of the filing of the Debtors’ chapter 11 petitions on such date.

40. “**Confirmation**” means confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code.

41. “**Confirmation Date**” means the date on which the Confirmation Order is entered by the Bankruptcy Court on its docket.

42. “**Confirmation Hearing**” means the hearing held by the Bankruptcy Court to consider confirmation of the Plan pursuant to sections 1128 and 1129 of the Bankruptcy Code, as such hearing may be adjourned or continued from time to time.

43. “**Confirmation Order**” means the order of the Bankruptcy Court entered pursuant to section 1129 of the Bankruptcy Code confirming the Plan.

44. “**Consolidated Debtors**” means, collectively, RAH, Republic Airline, Shuttle, and RASI.

45. “**Contingent**” means, when used in reference to a Claim, any Claim, the liability for which attaches or is dependent upon the occurrence or happening of, or is triggered by, an event that has not yet occurred as of the date on which such Claim is sought to be estimated or on which an objection to such Claim is filed, whether or not such event is within the actual or presumed contemplation of the holder of such Claim and whether or not a relationship between the holder of such Claim and the applicable Debtor now or hereafter exists or previously existed.

46. “**Creditor**” means any holder of a Claim.

47. “**Creditors’ Committee**” means the statutory committee of unsecured creditors appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code, as constituted from time to time.

48. “**Cure**” means a distribution made in the ordinary course of business following the Effective Date pursuant to an executory contract or unexpired lease assumed under section 365 or 1123 of the Bankruptcy Code (i) in an amount equal to the Proposed Cure (including if such Proposed Cure is zero dollars) or (ii) if a Treatment Objection is filed with respect to the applicable Proposed Cure, then in an amount equal to the unpaid monetary obligations owing by the Debtors and required to be paid pursuant to section 365(b) of the Bankruptcy Code, as may be (x) determined by Final Order or (y) otherwise agreed upon by the parties.

49. “**DB Credit Agreement**” means the Credit and Guaranty Agreement dated as of April 7, 2015, among Republic Airline, as Borrower, RAH, as Parent and Guarantor, the subsidiaries of RAH party thereto other than the Borrower, as Guarantors, the Lenders Party thereto, and Deutsche Bank AG New York Branch, as Administrative Agent (as amended, restated, supplemented or otherwise modified, refinanced, or replaced from time to time).

50. “**Debtors**” means, collectively, each of the Consolidated Debtors and each of the Liquidating Debtors. To the extent that the context requires any reference to the Debtors after the Effective Date, Debtors shall mean the Post-Effective Date Debtors.

51. “**Delta**” means Delta Air Lines, Inc.

52. “**DIP Agent**” means Delta in its capacity as administrative agent under the DIP Facility.

53. “**DIP Facility**” means the \$75,000,000 Senior Secured Super-Priority Debtor In Possession Credit Agreement, dated as of May 13, 2016, among the Debtors as Borrower and Credit Parties, the lenders signatory thereto from time to time and the DIP Agent, as approved by the Bankruptcy Court pursuant to the DIP Orders, as the same has been and may be further amended, restated, modified, or extended.

54. “**DIP Facility Claim**” means a Claim against a Debtor arising pursuant to the DIP Facility and/or the DIP Orders.

55. “**DIP Lender**” means any lender under the DIP Facility as of or after the Effective Date.

56. “**DIP Orders**” means, collectively, the (a) Order Pursuant to 11 U.S.C. §§ 105, 361, 362(d)(1), 363(b), 364(c)(1), 364(c)(3), 364(d), 364(e), 503(b)(1) and 507(b) and Fed. R. Bankr. P. 4001 and 6004 (I) Authorizing Debtors to Obtain Postpetition Financing, (II) Granting Liens and Providing Superpriority Administrative Expense Status, (III) Modifying The Automatic Stay And (IV) Granting Related Relief [ECF No. 507] and (b) Order Amending Order Pursuant to 11 U.S.C. §§ 105, 361, 362(d)(1), 363(b), 364(c)(1), 364(c)(3), 364(d), 364(e), 503(b)(1) and 507(b) and Fed. R. Bankr. P. 4001 and 6004 (I) Authorizing Debtors to Obtain Postpetition Financing, (II) Granting Liens and Providing Superpriority Administrative Expense Status, (III) Modifying The Automatic Stay And (IV) Granting Related Relief [ECF No. 516].

57. “**Disallowed**” means, when used in reference to a Claim, all or that portion, as applicable, of any Claim against any Debtor that (i) has been disallowed by a Final Order of the Bankruptcy Court, (ii) is listed in the Schedules as “\$0,” Contingent, Disputed or Unliquidated and as to which a proof of claim bar date has been established but no Proof of Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law, (iii) has been agreed to be equal to “\$0” or to be expunged or (iv) is not listed on the Schedules and as to which a proof of claim bar date has been established but no Proof of Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law.

58. “**Disclosure Statement**” means the disclosure statement relating to the Plan, including all exhibits and schedules thereto, as amended, supplemented or modified from time to time, in each case, as approved pursuant to section 1125 of the Bankruptcy Code by the Bankruptcy Court in the Approval Order.

59. “**Disputed**” means, when used in reference to a Claim, any Claim or any portion thereof that is neither an Allowed Claim nor a Disallowed Claim.

60. “**Distribution Record Date**” means the Confirmation Date.

61. “**Effective Date**” means the Business Day selected by the Debtors that is (i) on or after the Confirmation Date and on which no stay of the Confirmation Order is in effect and (ii) on or after the date on which the conditions to effectiveness of the Plan specified in Section 12.1 of the Plan have been either satisfied or waived as set forth herein.

62. “**Entity**” or “entity” means an entity as defined in section 101(15) of the Bankruptcy Code.

63. “**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended.

64. “**Estate**” means, individually, the estate of each of the Debtors and collectively, the estates of all of the Debtors created under section 541 of the Bankruptcy Code.

65. “**Estimated**” means, when used in reference to a Claim, any Claim that has been estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code or by agreement of the applicable Debtors and the holder of such Claim.

66. “**Exculpated Parties**” means (a) the Creditors’ Committee and its members (including any *ex officio* members); (b) with respect to each of the foregoing entities in clause (a), such entities’ predecessors, successors and assigns, subsidiaries, Affiliates, managed accounts or funds, and their current and former officers, directors, principals, shareholders, members, partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other Professionals (in each case, solely in their capacity as such); and (c) the Debtors’ and the Post-Effective Date Debtors’ current and former employees, their current and former directors, officers, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives and other professionals, and such persons’ respective heirs, executors, estates, servants and nominees (in each clause (a) through (c), solely in their capacity as such).

67. “**Exit Financing**” means any exit financing facility or other lending arrangement obtained by the Debtors prior to the Effective Date, which facility may include a grant of security interest in certain of the Debtors’ assets.

68. “**FAA**” means the Federal Aviation Administration.

69. “**Final Distribution Date**” means the day selected by the Post-Effective Date Debtors in their sole discretion that is after the Initial Distribution Date and is no earlier than twenty-eight (28) calendar days after the date on which all Disputed Claims have become Allowed Claims or have been disallowed.

70. “**Final Fee Application Deadline**” means the sixtieth (60th) day after the Effective Date, by which date any Professional seeking allowance of Professional Fee Claims must have filed an application with the Bankruptcy Court under section 330(a) of the Bankruptcy Code.

71. “**Final Order**” means an order or judgment of the Bankruptcy Court or other court of competent jurisdiction that has not been reversed, stayed, modified or amended, and as to which the time to appeal, seek reconsideration under Rule 59(b) or 59(e) of the Federal Rules of Civil Procedure, seek a new trial, reargument or rehearing and, where applicable, petition for certiorari has expired and no appeal, motion for reconsideration under Rule 59(b) or 59(e) of the Federal Rules of Civil Procedure, motion for a new trial, reargument or rehearing or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought, or as to which any motion for reconsideration that has been filed pursuant to Rule 59(b) or 59(e) of the Federal Rules of Civil Procedure or any motion for a new trial, reargument or rehearing has been resolved by the court in which such motion was filed; *provided, however*, that the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024, or any analogous rule, may be filed relating to such order or judgment shall not cause such order or judgment not to be a Final Order.

72. “**General Unsecured Claims**” means any prepetition Claim against any of the Debtors that is not an Other Administrative Claim, Priority Tax Claim, Other Priority Claim, Aircraft Secured Claim, Other Secured Claim, Section 510(b) Claim or Intercompany Claim, including any unsecured claims under section 506(a)(1).

73. “**HSR Act**” means the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended.

74. “**Initial Distribution Date**” shall be the Effective Date or as soon thereafter as is practicable.

75. “**Impaired**” means, when used in reference to a Claim, any Claim that is impaired within the meaning of section 1124 of the Bankruptcy Code.

76. “**Independent**” means a person other than (i) an executive officer, employee, agent of, or a paid consultant or advisor to, the Post-Effective Date Debtors or any of their Affiliates (or any immediate family member of such individual) or (ii) an individual (or any immediate family member of such individual), having a material relationship with the Post-Effective Date Debtors or any of their Affiliates (either directly or as a partner, officer, employee or agent of, or a paid consultant or advisor to, an organization that has a material relationship with the Post-Effective Date Debtors or any of their Affiliates).

77. “**Intercompany Claim**” means any Claim by a Debtor and/or Non-Debtor Affiliate against any Debtor.

78. “**Intercompany Contract**” means a contract solely between two or more Debtors entered into prior to the Commencement Date.

79. “**Interest**” means any equity security within the meaning of section 101(16) of the Bankruptcy Code including, without limitation, all issued, unissued, authorized or outstanding shares of stock or other equity interests (including common and preferred), together with any warrants, options, convertible securities, liquidating preferred securities or contractual rights to



purchase or acquire any such equity interests at any time and all rights arising with respect thereto.

80. “**Interim Distribution Date**” means the date that is the earliest of (i) as soon as reasonably practicable following the date on which an aggregate amount of \$50 million or more in Disputed Claims have been Allowed or Disallowed on a final basis or (ii) 120 calendar days after the Initial Distribution Date or the most recent Interim Distribution Date thereafter, with such periodic Interim Distribution Dates occurring until the Final Distribution Date has occurred.

81. “**Internal Revenue Code**” means the Internal Revenue Code of 1986, as amended.

82. “**IRS**” means the Internal Revenue Service of the United States of America.

83. “**Lien**” means a “lien,” as defined in section 101(37) of the Bankruptcy Code.

84. “**Liquidating Debtors**” means, collectively, Skyway, Midwest, and MAGI.

85. “**MAGI**” means Midwest Air Group, Inc., a Debtor in these Chapter 11 Cases.

86. “**Management Agreements**” means the employment agreements, as amended and identified in the Plan Supplement, between the Debtors and certain officers and employees of the Debtors, which officers and employees are expected to continue to render services to the Debtors on and after the Effective Date.

87. “**Management Equity Plan**” means the management equity plan for certain employees of the Post-Effective Date Debtors on terms reasonably acceptable to the Debtors and the Creditors’ Committee, to be set forth in the Plan Supplement.

88. “**Merger**” means the merger of Shuttle into Republic Airline for all purposes, with Republic Airline being the surviving entity.

89. “**Merger Approval Motion**” means 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, filed on November 3, 2016 [ECF No. 1165].

90. “**Midwest**” means Midwest Airlines, Inc., a Debtor in these Chapter 11 Cases.

91. “**New Common Stock**” means the shares of common stock of Reorganized RAH, having a par value of \$0.001 per share, issued pursuant to the Plan and Amended Certificate of Incorporation.

92. “**New Common Stock Reserved for Issuance to Management**” means the New Common Stock to be reserved for issuance under the Management Equity Plan, as set forth in the Plan Supplement.

93. “**Non-Debtor Affiliate**” means Lynx Aviation, Inc., Carmel Finance 2015, LLC, and Republic Airline Inc. (Panama).

94. “**Non-U.S. Citizens**” means a person or entity that is not (A) an individual who is a citizen of the United States; (B) a partnership each of whose partners is an individual who is a citizen of the United States; or (C) a corporation or association organized under the laws of the United States or a State, the District of Columbia, or a territory or possession of the United States, of which the president and at least two-thirds of the board of directors and other managing officers are citizens of the United States, which is under the actual control of citizens of the United States, and in which at least 75 percent of the voting interest is owned or controlled by persons that are citizens of the United States.

95. “**Notice of Intent to Assume or Reject**” means a notice delivered by the Debtors or by the Post-Effective Date Debtors pursuant to Article 9 of the Plan stating an intent to assume or reject an executory contract or unexpired lease and including a proposed Assumption Effective Date or Rejection Effective Date, as applicable, and, if applicable, a Proposed Cure and/or a proposed assignment.

96. “**Ordinary Course Professionals Order**” means the Order Pursuant to 11 U.S.C. §§ 105(a), 327 & 330 of the Bankruptcy Code Authorizing the Debtors to Employ Professionals Used in the Ordinary Course of Business *Nunc Pro Tunc* to the Commencement Date, entered by the Bankruptcy Court on March 23, 2016 [ECF No. 213].

97. “**Other Administrative Claim**” means an Administrative Claim, including any of the following (to the extent the same constitutes an Administrative Claim): (i) the actual, necessary costs and expenses of preserving the Estates and operating the businesses of the Debtors incurred on or after the commencement of the Chapter 11 Cases, including Cure amounts and other liabilities incurred by the Debtors in the ordinary course of their businesses, (ii) reclamation claims under section 546(c) of the Bankruptcy Code and Uniform Commercial Code section 2-702, (iii) except with respect to Professionals, compensation for legal, financial advisory, accounting and other services and reimbursement of expenses that would be awarded or Allowed pursuant to sections 327, 328, 330 or 331 of the Bankruptcy Code or otherwise for the period commencing on or after the Commencement Date and ending on or before the Effective Date, (iv) claims under section 503(b)(9) of the Bankruptcy Code, (v) any amounts owing under an agreement made by the Debtors in accordance with the Section 1110 Procedures Order that satisfies the requirements of section 503(b) of the Bankruptcy Code, and (vi) all requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4) or (5) of the Bankruptcy Code. Other Administrative Claims shall not include DIP Facility Claims, Professional Fee Claims or fees and charges assessed against the Debtors’ Estates pursuant to section 1930 of title 28 of the United States Code and/or section 3717 of title 31 of the United States Code (which shall be paid pursuant to Section 15.6 of the Plan).

98. “**Other Priority Claim**” means any Claim, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in right of payment pursuant to section 507(a) of the Bankruptcy Code.

99. “**Other Secured Claim**” means any Secured Claim other than the DIP Facility Claims and the Reinstated Aircraft Secured Claims.

100. “**PBGC**” means Pension Benefit Guaranty Corporation.

101. “**Pension Plan**” means the defined benefit pension plan known as the Midwest Airlines, Inc. Pilots’ Supplemental Pension Plan.

102. “**Permitted Payment**” means a payment on account of an obligation arising prior to the Commencement Date made by the Debtors during the Chapter 11 Cases with the permission of the Bankruptcy Court.

103. “**Person**” or “person” means a person as defined in section 101(41) of the Bankruptcy Code.

104. “**Plan**” means this Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code, including the Plan Supplement and all exhibits, supplements, appendices and schedules to any of the foregoing, as any of them may be amended or modified from time to time hereunder or in accordance with applicable law.

105. “**Plan Consolidation**” means the deemed consolidation of the Estates of the Consolidated Debtors, solely for the purposes associated with the confirmation of the Plan and the occurrence of the Effective Date, including voting, Confirmation, and distribution.

106. “**Plan Documents**” means the agreements, instruments, and documents to be executed, delivered, assumed, and/or performed in conjunction with the consummation of the Plan on and after the Effective Date, including, without limitation, any other instruments and documents listed in the Plan Supplement.

107. “**Plan Supplement**” means the supplemental appendix to the Plan, described in Section 15.8 of the Plan, the form and substance of which shall be reasonably acceptable to the Creditors’ Committee.

108. “**Post-Effective Date Debtors**” means, collectively, each of the Consolidated Debtors and each of the Liquidating Debtors, and any successor thereto, whether by merger, consolidation or otherwise, on and after the Effective Date.

109. “**Priority Tax Claim**” means a Claim (whether secured or unsecured) of a governmental unit entitled to priority pursuant to section 507(a)(8) or specified under section 502(i) of the Bankruptcy Code.

110. “**Pro Rata Share**” means the ratio (expressed as a percentage) of (i) the amount of any Allowed Claim in a particular class to (ii) the sum of (x) the aggregate amount of Allowed Claims in such Class and (y) the aggregate amount of Disputed Claims in such Class.

111. “**Professional**” means a person retained in the Chapter 11 Cases by separate Bankruptcy Court order pursuant to sections 327 and 1103 of the Bankruptcy Code or otherwise, but not including any person retained pursuant to the Ordinary Course Professionals Order.

112. “**Professional Fee Claims**” means an Administrative Claim of a Professional for compensation for services rendered or reimbursement of costs, expenses, or other charges and disbursements incurred during the period from the Commencement Date through the last day of the calendar month immediately preceding the Effective Date.

113. “**Proof of Claim**” means a proof of claim filed by a holder of a Claim in accordance with the Bar Date Order.

114. “**Proposed Cure**” means, with respect to a particular executory contract or unexpired lease, the consideration that the Debtors propose (which may be zero or some amount greater than zero) on a Notice of Intent to Assume or Reject as full satisfaction of the Debtors’ obligations with respect to such executory contract or unexpired lease pursuant to section 365(b) of the Bankruptcy Code.

115. “**RAH**” means Republic Airways Holdings Inc., a Debtor in these Chapter 11 Cases.

116. “**RASI**” means Republic Airways Services, Inc., a Debtor in these Chapter 11 Cases.

117. “**Reinstated**” or “**Reinstatement**” has the meaning ascribed to such terms under section 1124 of the Bankruptcy Code.

118. “**Reinstated Aircraft Secured Claim**” means an Aircraft Secured Claim that the Debtors have determined to reinstate, as set forth in Schedule 4.3 to the Plan.

119. “**Rejection Bar Date**” means the deadline for filing Proofs of Claim arising from the rejection of an executory contract or unexpired lease, which deadline shall be 30 calendar days after the Debtors serve notice of the entry of an order (including, without limitation, the Confirmation Order) approving the rejection of such executory contract or unexpired lease.

120. “**Rejection Claim**” means a Claim under section 502(g) of the Bankruptcy Code.

121. “**Rejection Effective Date**” means the date upon which the rejection of an executory contract or unexpired lease under the Plan is deemed effective.

122. “**Rejection Party**” means a counterparty to an executory contract or unexpired lease to be rejected by the Debtors under the Plan.

123. “**Released Parties**” means (a) the Creditors’ Committee and its members (including any *ex officio* members); (b) with respect to each of the foregoing entities in clause (a), such entities’ predecessors, successors and assigns, subsidiaries, affiliates, managed accounts or funds, and their current and former officers, directors, principals, shareholders, members, partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other Professionals (in each case, solely in their capacity as such); and (c) the Debtors’ and the Post-Effective Date Debtors’ current and former employees, their current and former directors, officers, agents, financial advisors, attorneys, accountants, investment bankers, consultants,

representatives and other professionals, and such persons' respective heirs, executors, estates, servants and nominees (in each clause (a) through (c), solely in their capacity as such).

124. “**Reorganized**” means, with respect to a Consolidated Debtor, the successor to such Consolidated Debtor, whether by merger, consolidation, or otherwise, on and after the Effective Date.

125. “**Reorganized Board**” means the board of directors of Reorganized RAH.

126. “**Republic Airline**” means Republic Airline Inc., a Debtor in these Chapter 11 Cases.

127. “**Schedules**” means the schedules of assets and liabilities and the statements of financial affairs filed by the Debtors pursuant to section 521 of the Bankruptcy Code, as such schedules and statements have been or may be supplemented, modified or amended from time to time.

128. “**Section 510(b) Claims**” means any Claim or Cause of Action against any of the Debtors (i) arising from rescission of a purchase or sale of shares, notes or any other securities of any of the Debtors or an Affiliate of any of the Debtors, (ii) for damages arising from the purchase or sale of any such security, (iii) for violations of the securities laws, misrepresentations or any similar Claims related to the foregoing or otherwise subject to subordination under section 510(b) of the Bankruptcy Code, (iv) for reimbursement, contribution or indemnification allowed under section 502 of the Bankruptcy Code on account of any such Claim, including Claims based upon allegations that the Debtors made false and misleading statements or engaged in other deceptive acts in connection with the offer or sale of securities or (v) for attorneys' fees, other charges or costs incurred on account of any of the foregoing Claims or Causes of Action.

129. “**Section 1110 Procedures Order**” means the Order Authorizing the Debtors to (i) Enter into Agreements Under 11 U.S.C. § 1110(a), (ii) Enter into Stipulations to Extend the Time to Comply with 11 U.S.C. § 1110, and (iii) File Redacted Section 1110 Election Notices and Section 1110(b) Stipulations, entered by the Bankruptcy Court on March 23, 2016 [ECF No. 212].

130. “**Secured Claim**” means any Claim or portion thereof other than a Priority Tax Claim or DIP Facility Claim (i) that is reflected in the Schedules or a Proof of Claim as a secured claim and is secured by a Lien on Collateral, to the extent of the value of such Collateral, as determined in accordance with section 506(a) and, if applicable, section 1129(b) of the Bankruptcy Code or (ii) to the extent that the holder thereof has a valid right of set-off pursuant to section 553 of the Bankruptcy Code.

131. “**Securities Act**” means the Securities Act of 1933, 15 U.S.C. §§ 77a - 77aa, as now in effect or hereafter amended, or any similar federal, state, or local law.

132. “**Shuttle**” means Shuttle America Corporation, a Debtor in these Chapter 11 Cases.

133. “**Skyway**” means Skyway Airlines, Inc., a Debtor in these Chapter 11 Cases.

134. “**Solicitation Agent**” means Prime Clerk LLC, the Debtors’ solicitation agent.

135. “**Stockholders Agreement**” means the agreement among Reorganized RAH and each holder of shares of New Common Stock, whether as of the Effective Date or subsequent thereto, to be set forth in the Plan Supplement.

136. “**Subsidiary Interest**” means, other than an Interest in RAH, an Interest in one Debtor held by another Debtor.

137. “**Tail Policy**” has the meaning set forth in Section 15.5 of the Plan.

138. “**Transfer**” and words of like import mean, with respect to any security or the right to receive a security or to participate in any offering of any security (each, a “security” for purposes of this definition), the sale, transfer, pledge, hypothecation, encumbrance, assignment, constructive sale, participation in or other disposition of such security or the Beneficial Ownership thereof, the offer to make such a sale, transfer, constructive sale or other disposition, and each option, agreement, arrangement or understanding, whether or not in writing and whether or not directly or indirectly, to effect any of the foregoing. The term “**constructive sale**” for purposes of this definition means a short sale with respect to such security, entering into or acquiring an offsetting derivative contract with respect to such security, entering into or acquiring a futures or forward contract to deliver such security, or entering into any transaction that has substantially the same effect as any of the foregoing.

139. “**Treatment Objection**” means an objection to the Debtors’ proposed assumption or rejection of an executory contract or unexpired lease pursuant to the provisions of the Plan (including an objection to the proposed Assumption Effective Date or Rejection Effective Date, the Proposed Cure and/or any proposed assignment, but not including an objection to any Rejection Claim) that is properly filed with the Bankruptcy Court and served in accordance with the Case Management Order by the applicable Treatment Objection Deadline.

140. “**Treatment Objection Deadline**” means the deadline for filing and serving a Treatment Objection, which deadline shall be 4:00 p.m. (prevailing Eastern Time) on, (i) with respect to an executory contract or unexpired lease listed on Schedule 9.1 to the Plan Supplement, the 15th calendar day after the relevant schedule is filed and notice thereof is mailed, (ii) with respect to an executory contract or unexpired lease the proposed treatment of which has been altered by an amended or supplemental Schedule 9.1 to the Plan Supplement, the 15th calendar day after such amended or supplemental schedule is filed and notice thereof is mailed, (iii) with respect to an executory contract or unexpired lease for which a Notice of Intent to Assume or Reject is filed, the 15th calendar day after such notice is filed and notice thereof is mailed and (iv) with respect to any other executory contract or unexpired lease, including any to be assumed or rejected by category pursuant to Sections 9.1, 9.5, 9.6, or 9.7 of the Plan (without being listed on Schedule 9.1 to the Plan Supplement), the deadline for objections to Confirmation of the Plan established pursuant to the Approval Order or other order of the Bankruptcy Court.

141. “**True-Up New Common Stock Distribution**” means, on any Class 3(a) Distribution Date, with respect to any holder of an Allowed Claim entitled to receive New Common Stock under the Plan, a distribution of an additional amount of New Common Stock

necessary to cause such holder to have received aggregate distributions of New Common Stock under the Plan equal to its then current Pro Rata Share of New Common Stock.

142. “**Unimpaired**” refers to any Claim or Interest that is not Impaired.

143. “**United**” means United Airlines Inc.

144. “**United States Trustee**” means the United States Trustee for the Southern District of New York.

145. “**Unliquidated**” means, when used in reference to a Claim, any Claim, the amount of liability for which has not been fixed, whether pursuant to agreement, applicable law or otherwise, as of the date on which such Claim is sought to be estimated.

146. “**Voting Deadline**” means the date established by the Approval Order by which the Solicitation Agent must actually receive a valid Ballot properly voting on the Plan in order for such vote to count as a vote to accept or reject the Plan. Such deadline is 4:00 p.m. (prevailing Eastern Time) on January 31, 2017.

147. “**Voting Instructions**” means the instructions for voting on the Plan contained in the Approval Order, Article XI of the Disclosure Statement and the Ballots.

148. “**Voting Record Date**” means the record date for voting on the Plan as set forth in the Approval Order.

## **Section 1.2. Rules of Interpretation**

Unless otherwise specified, all article, section, exhibit, schedule, or Plan Supplement references in the Plan are to the respective article in, section in, exhibit to, schedule to, or Plan Supplement to the Plan, as the same may be amended, waived, or modified from time to time. The words “herein,” “hereof,” “hereto,” “hereunder,” and other words of similar import refer to the Plan as a whole and not to any particular article, section, subsection, or clause contained herein, unless expressly indicated otherwise. Whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural and any pronoun stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and neuter gender. Captions and headings in the Plan are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof. Whenever the words “include,” “includes,” or “including” are used in the Plan, they shall be deemed to be followed by the words “without limitation,” whether or not they are in fact followed by those words or words of like import. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. Any references herein to a contract, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions. In the event that a particular term of the Plan (including any exhibits, schedules, or Plan Supplement hereto) conflicts with a particular term of the definitive documentation required to be implemented pursuant to the terms of the Plan or any settlement or other agreement contemplated hereunder, the definitive documentation shall control and shall be binding on the parties thereto.

With respect to any reference in the Plan to a consent, approval, or acceptance by any party that shall not unreasonably be withheld, or to an issue, agreement, order, or other document (or the terms thereof) that shall be reasonably acceptable to any such party, such consent, approval, or acceptance shall not be unreasonably conditioned, delayed, or withheld.

### **Section 1.3. Computation of Time**

In computing any period of time prescribed or allowed by the Plan, unless otherwise expressly provided, the provisions of Bankruptcy Rule 9006(a) shall apply. In the event that any payment, distribution, act, or deadline under the Plan is required to be made or performed or occurs on a day that is not a Business Day, then the making of such payment or distribution, the performance of such act, or the occurrence of such deadline shall be deemed to be on the next succeeding Business Day, but shall be deemed to have been completed or to have occurred as of the required date.

### **Section 1.4. References to Monetary Figures**

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

### **Section 1.5. Exhibits; Schedules; Plan Supplement**

All exhibits and schedules to the Plan, including the Plan Supplement, are incorporated into and are a part of the Plan as if set forth in full herein. Copies of such exhibits, schedules, and the Plan Supplement can be obtained by downloading such documents from the Debtors' Case Information Website (located at <https://cases.primeclerk.com/rjet/>) or the Bankruptcy Court's website (located at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov)). To the extent that any exhibit, schedule, or Plan Supplement is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit, non-schedule, or non-Plan Supplement portion of the Plan shall control.

## **ARTICLE 2 PLAN CONSOLIDATION**

### **Section 2.1. Order Granting Plan Consolidation**

Unless and to the extent previously approved by prior order of the Bankruptcy Court, at the Confirmation Hearing, the Court will consider approval under the Plan of the Plan Consolidation.

### **Section 2.2. Plan Consolidation**

(a) Solely for the purposes specified in the Plan (including voting, Confirmation, and distributions) and subject to Section 2.2(b), (i) all assets and liabilities of the Consolidated Debtors shall be consolidated and treated as though they were merged, (ii) all guarantees of any Consolidated Debtor of the obligations of any other Consolidated Debtor shall be eliminated so that any Claim against any Consolidated Debtor, any guarantee thereof executed by any other Consolidated Debtor and any joint or several liability of any of the Consolidated Debtors shall be



one obligation of the Consolidated Debtors and (iii) each and every Claim filed or to be filed in the Chapter 11 Cases against any of the Consolidated Debtors shall be deemed filed against the Consolidated Debtors collectively and shall be one Claim against and, if and to the extent allowed, shall become one obligation of the Consolidated Debtors.

(b) The Plan Consolidation effected pursuant to this Section 2.2 shall not affect: (i) the legal or organizational structure of the Consolidated Debtors, (ii) pre- or post-Commencement Date Liens or security interests, (iii) pre- or post-Commencement Date guarantees that are required to be maintained (x) in connection with executory contracts or unexpired leases that were entered into during the Chapter 11 Cases or that have been or will be assumed, (y) in connection with agreements related to (1) Reinstated Aircraft Secured Claims or (2) Other Secured Claims that the Debtors elect to reinstate, or (z) pursuant to the Plan, (iv) defenses to any Cause of Action, or (v) distributions out of any insurance policies or proceeds of such policies.

(c) Except as set forth in this Article 2 with respect to the Plan Consolidation and Section 6.2 with respect to Merger, nothing in this Plan is intended to substantively consolidate the Estates of the Debtors, and each such entity shall maintain its separate and distinct assets.

### **ARTICLE 3**

#### **TREATMENT OF ADMINISTRATIVE CLAIMS AND PRIORITY TAX CLAIMS**

##### **Section 3.1. Unclassified Claims**

As provided in section 1123(a)(1) of the Bankruptcy Code, DIP Facility Claims, Administrative Claims, and Priority Tax Claims against the Debtors are not classified for purposes of voting on, or receiving distributions under, the Plan. Holders of such Claims are not entitled to vote on the Plan. All such Claims are instead treated separately in accordance with this Article 3 and in accordance with the requirements set forth in section 1129(a)(9) of the Bankruptcy Code.

##### **Section 3.2. DIP Facility Claims**

All DIP Facility Claims shall be Allowed as provided in the DIP Orders. On or prior to the Effective Date, in complete satisfaction of such Claims, each DIP Facility Claim shall be paid in full in Cash.

Contemporaneously with all amounts owing in respect of principal included in the DIP Facility Claims, interest accrued thereon to the date of payment and fees, expenses and noncontingent indemnification obligations due and payable on the Effective Date (all as and to the extent required by the DIP Facility) being paid in full in Cash: (i) the DIP Facility and the "Loan Documents" referred to therein shall automatically terminate, in each case without further action by the DIP Agent or any DIP Lender; (ii) all Liens on property of the Debtors and the Post-Effective Date Debtors arising out of or related to the DIP Facility shall automatically terminate, and all Collateral subject to such Liens shall be automatically released, in each case without further action by the DIP Agent or any DIP Lender; and (iii) all guarantees of the Debtors and Post-Effective Date Debtors arising out of or related to the DIP Facility Claims shall be automatically discharged and released, in each case without further action by the DIP Agent

or any DIP Lender. The DIP Agent and DIP Lenders shall take all reasonable actions to effectuate and confirm such termination, release, and discharge as requested by the Debtors or the Post-Effective Date Debtors.

### **Section 3.3. Other Administrative Claims**

**(a) Treatment.** Except to the extent that the applicable holder agrees to less favorable treatment with the Post-Effective Date Debtors, each holder of an Allowed Other Administrative Claim against any of the Debtors shall be paid the full unpaid amount of such Allowed Other Administrative Claim in Cash (i) on or as soon as reasonably practicable after the Effective Date (for Claims Allowed as of the Effective Date), (ii) on or as soon as practicable after the date such claim becomes Allowed (or upon such other terms as may be agreed upon by such holder and the applicable Post-Effective Date Debtor), or (iii) as otherwise ordered by the Bankruptcy Court.

Allowed Other Administrative Claims with respect to assumed agreements, liabilities incurred by the Debtors in the ordinary course of business during the Chapter 11 Cases, and nonordinary course liabilities approved by the Bankruptcy Court shall be paid in full and performed by the Post-Effective Date Debtors in the ordinary course of business (or as otherwise approved by the Bankruptcy Court) in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

**(b) Administrative Claim Bar Date.** Except as set forth below, all requests for payment of Other Administrative Claims must be filed by the Administrative Claim Bar Date or the holders thereof shall be forever barred from asserting such Other Administrative Claims against the Debtors or from sharing in any distribution under the Plan. A notice setting forth the Administrative Claim Bar Date will be (i) filed on the Bankruptcy Court's docket and (ii) posted on the Debtors' Case Information Website (located at <https://cases.primeclerk.com/RJET/>). No other notice of the Administrative Claim Bar Date will be provided. All requests for payment of Other Administrative Claims that accrued on or before the Effective Date must be filed with the Claims Agent and served on counsel for the Debtors and Post-Effective Date Debtors by the Administrative Claim Bar Date. Any requests for payment of Other Administrative Claims pursuant to this Section 3.3(b) that are not properly filed and served by the Administrative Claim Bar Date shall not appear on the register of claims maintained by the Claims Agent and shall be disallowed automatically without the need for any objection from the Debtors or the Post-Effective Date Debtors or any action by the Bankruptcy Court.

Notwithstanding the foregoing, requests for payment of Other Administrative Claims need not be filed with respect to Other Administrative Claims that (i) are for goods or services provided to the Debtors in the ordinary course of business, (ii) previously have been Allowed by Final Order of the Bankruptcy Court, including the DIP Orders, (iii) are for Cure amounts, (iv) are on account of postpetition taxes (including any related penalties or interest) owed by the Debtors or the Post-Effective Date Debtors to any governmental unit (as defined in section 101(27) of the Bankruptcy Code), (v) are asserted by or on behalf of employees of the Debtors, including Other Administrative Claims arising in connection with the Collective Bargaining Agreements, (vi) the Debtors or Post-Effective Date Debtors have otherwise agreed in writing do

not require such a filing, (vii) arise under section 503(b)(9) of the Bankruptcy Code, which are subject to the Order Pursuant to 11 U.S.C. §§ 503(b)(9) & 105(a) (i) Establishing Deadline and Approving Procedures for the Assertion, Resolution, and Satisfaction of Claims Asserted Pursuant to 11 U.S.C. § 503(b)(9) and (ii) Prohibiting Vendors from Pursuing Such Claims Outside the Procedures [ECF No. 52], or (viii) arise under section 546(c) of the Bankruptcy Code, which are subject to the Order Pursuant to 11 U.S.C. §§ 105(a) & 546(c) Establishing and Implementing Exclusive and Global Procedures for Treatment of Reclamation Claims [ECF No. 50].

### **Section 3.4. Professional Fee Claims**

Each Professional seeking allowance by the Bankruptcy Court of Professional Fee Claims: (a) must file its final application for allowance of compensation for services rendered and reimbursement of expenses incurred through the last day of the calendar month immediately preceding the Effective Date on or before the Final Fee Application Deadline; and (b) if the Bankruptcy Court grants such an award, each such Professional will be paid in full in Cash by the Debtors, in such amounts as are allowed by the Bankruptcy Court pursuant to the provisions of the order of the Bankruptcy Court granting final allowance of compensation and reimbursement of expenses pursuant to section 330 of the Bankruptcy Code. All final applications for allowance and disbursement on account of Professional Fee Claims must be in compliance with all of the terms and provisions of any applicable order of the Bankruptcy Court, including the Confirmation Order.

Upon the last day of the calendar month immediately preceding the Effective Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors and Post-Effective Date Debtors may employ and pay all Professionals (including Professionals retained by the Creditors' Committee) in the ordinary course of business (including with respect to the month in which the Effective Date occurred) without any further notice to, action by, or order or approval of the Bankruptcy Court or any other party.

### **Section 3.5. Priority Tax Claims**

Except to the extent that the applicable Creditor has been paid by the Debtors prior to the Effective Date, or the applicable Post-Effective Date Debtor and such Creditor agree to less favorable treatment, each holder of an Allowed Priority Tax Claim against any of the Debtors shall receive, at the sole option of the Post-Effective Date Debtors, (a) payment in full in Cash made on or as soon as reasonably practicable after the later of the Effective Date or 20 calendar days after the date such Claim is Allowed or (b) regular installment payments in accordance with section 1129(a)(9)(C) of the Bankruptcy Code.

The Post-Effective Date Debtors shall have the right, in their sole discretion, to pay any Allowed Priority Tax Claim or any remaining balance of an Allowed Priority Tax Claim (together with accrued but unpaid interest) in full at any time on or after the Effective Date without premium or penalty.

**ARTICLE 4**  
**CLASSIFICATION AND TREATMENT OF OTHER CLAIMS AND INTERESTS**

**Section 4.1. Summary of Classification**

In accordance with section 1123(a)(1) of the Bankruptcy Code, all Claims of Creditors (except those Claims receiving treatment as set forth in Article 3) and holders of Interests are placed in the Classes described in Section 4.2 below for all purposes, including voting on, confirmation of, and distribution under, the Plan.

**Section 4.2. Classes of Claims and Interests.**

The following table designates the classes of Claims against and Interests in each of the Debtors and specifies which of those classes are (i) impaired or unimpaired by the Plan and (ii) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code or deemed to accept or reject the Plan.

<b>Class</b>	<b>Designation</b>	<b>Status</b>	<b>Voting Rights</b>
1(a)	Other Priority Claims (Consolidated Debtors)	Unimpaired	No (Presumed to Accept)
1(b)	Other Priority Claims (MAGI)	Unimpaired	No (Presumed to Accept)
1(c)	Other Priority Claims (Midwest)	Unimpaired	No (Presumed to Accept)
1(d)	Other Priority Claims (Skyway)	Unimpaired	No (Presumed to Accept)
2(a)	Reinstated Aircraft Secured Claims (Consolidated Debtors)	Unimpaired	No (Presumed to Accept)
2(b)	Other Secured Claims (Consolidated Debtors)	Unimpaired	No (Presumed to Accept)
3(a)	General Unsecured Claims (Consolidated Debtors)	Impaired	Yes (Entitled to Vote)
3(b)	General Unsecured Claims (MAGI)	Impaired	No (Deemed to Reject)
3(c)	General Unsecured Claims (Midwest)	Impaired	No (Deemed to Reject)

Class	Designation	Status	Voting Rights
3(d)	General Unsecured Claims (Skyway)	Impaired	No (Deemed to Reject)
4	Section 510(b) Claims	Impaired	No (Deemed to Reject)
5	Interests in RAH	Impaired	No (Deemed to Reject)
6	Subsidiary Interests	Impaired	Consented to Treatment (Presumed to Accept)

**Section 4.3. Treatment of Claims and Interests.**

The treatment and voting rights provided to each Class for distribution purposes is specified below:

**(a) Other Priority Claims (Classes 1(a) – 1(d))**

i. **Impairment and Voting.** Classes 1(a) – 1(d) are unimpaired under the Plan. Holders of Other Priority Claims are conclusively presumed to accept the Plan under section 1126(f) of the Bankruptcy Code and are not entitled to vote on the Plan.

ii. **Treatment.** Except to the extent that the applicable Creditor agrees to less favorable treatment with the applicable Post-Effective Date Debtor, each holder of an Allowed Other Priority Claim shall receive, in full and final satisfaction, settlement, release, and discharge of, and exchange for, such Allowed Other Priority Claim, a Cash payment in an amount equal to the difference between: (a) such Allowed Other Priority Claim, and (b) the amount of any Permitted Payments made to the holder of such Claim, on the latest of: (i) the Effective Date, or as soon thereafter as practicable; (ii) such date as may be fixed by the Bankruptcy Court, or as soon thereafter as practicable; (iii) the fourteenth (14th) day after such Claim is Allowed, or as soon thereafter as practicable; and (iv) such date as the holder of such Claim and the Debtors may agree.

iii. **Source of Payment.** Distributions to holders of Allowed Other Priority Claims shall be paid by the applicable Debtors from their cash on hand or in the case of the Liquidating Debtors, by RAH.

**(b) Reinstated Aircraft Secured Claims (Class 2(a))**

i. **Impairment and Voting:** Class 2(a) is unimpaired under the Plan. Holders of Reinstated Aircraft Secured Claims are conclusively presumed to accept the Plan under section 1126(f) of the Bankruptcy Code and are not entitled to vote on the Plan.

ii. **Treatment:** Except to the extent that a holder of an Allowed Reinstated Aircraft Secured Claim agrees to different treatment, on the Effective Date, each Allowed Reinstated Aircraft Secured Claim set forth in Schedule 4.3 to the Plan shall be Reinstated and rendered unimpaired in accordance with sections 1123(b)(1) and 1124(2) of the Bankruptcy

Code, notwithstanding any contractual provision or applicable non-bankruptcy law that entitles the holder of such Allowed Reinstated Aircraft Secured Claim to demand or receive payment of such Allowed Reinstated Aircraft Secured Claim from and after the occurrence of a default to the extent provided in section 1124(2) of the Bankruptcy Code. The Claimants will retain their security interests on the Aircraft Equipment which secure their respective claims, and such security interests (i) shall be valid, perfected, legal, binding, and enforceable security interests in the collateral granted in accordance with the terms of the applicable underlying agreements, (ii) shall be deemed perfected on the Effective Date, or if perfected earlier, such earlier date of perfection, and (iii) shall be deemed granted for fair consideration, reasonably equivalent value, and in good faith. The Debtors or the Post-Effective Date Debtors, as applicable, shall make all filings and recordings, and obtain all governmental approvals and consents necessary to establish, maintain, and perfect such security interests under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign). Such payments as are necessary to bring the Reinstated obligations current shall be made on the Effective Date, or as soon thereafter as reasonably practicable. Any dispute with respect to such amounts payable under the Reinstated debt will be determined by the Bankruptcy Court, and the amounts payable, if any, as so determined, shall be paid promptly after the determination by the Bankruptcy Court.

**(c) Other Secured Claims Against Consolidated Debtors (Class 2(b))**

i. **Impairment and Voting.** Class 2(b) is unimpaired under the Plan. Holders of Other Secured Claims against the Consolidated Debtors are conclusively presumed to accept the Plan under section 1126(f) of the Bankruptcy Code and are not entitled to vote on the Plan.

ii. **Treatment.** Each holder of an Allowed Other Secured Claim against any of the Consolidated Debtors shall receive, at the sole option of the applicable Debtor, and in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Other Secured Claim, one of the following treatments: (i) payment in Cash in the amount of such Allowed Other Secured Claim, (ii) Reinstatement of the legal, equitable, and contractual rights of the holder with respect to such Allowed Other Secured Claim, (iii) a distribution of the proceeds of the sale or disposition of the Collateral securing such Allowed Other Secured Claim (net of the costs of disposition of such Collateral) to the extent of the value of the holder's secured interest in such Collateral, (iv) a distribution of the Collateral securing such Allowed Other Secured Claim without representation or warranty by or recourse against the Debtors or Post-Effective Date Debtors or (v) such other distribution as necessary to satisfy the requirements of section 1124 of the Bankruptcy Code. In the event that an Other Secured Claim is satisfied under clause (i), (iii), (iv) or (v) above, the Liens securing such Other Secured Claim shall be deemed released without further action by any party.

Any distributions made pursuant to this Section 4.3(c)(ii) shall be made on or as soon as reasonably practicable after the latest of (i) the Effective Date, (ii) 20 calendar days after the date such Claim becomes Allowed, and (iii) the date for payment provided by any agreement between the applicable Debtor and the holder of such Claim.

For convenience of identification, the Plan classifies the Allowed Claims in each of Classes 2(a)-(b) as a single Class. However, each of these Classes may actually be a group of subclasses, depending on the Collateral securing each Allowed Claim in the applicable Class.

**(d) General Unsecured Claims Against Consolidated Debtors (Class 3(a))**

i. **Impairment and Voting.** Class 3(a) is impaired under the Plan. Holders of Class 3(a) General Unsecured Claims are entitled to vote on the Plan.

ii. **Treatment.** Except to the extent that the applicable Creditor agrees to less favorable treatment, on or as soon as reasonably practicable after the later of (x) the Effective Date and (y) the date the Class 3(a) General Unsecured Claim becomes an Allowed Class 3(a) General Unsecured Claim, (A) each holder of one or more Allowed Class 3(a) General Unsecured Claims in an aggregate amount equal to or less than \$500,000.00 shall receive, in respect of all of its Allowed Class 3(a) General Unsecured Claims, distribution(s) of Cash in an amount equal to 45% of the Allowed amount of its Class 3(a) General Unsecured Claim(s), up to a maximum distribution of \$225,000 unless such Creditor elects on its Ballot to receive its Pro Rata Share of the New Common Stock; and (B) each holder of one or more Allowed Class 3(a) General Unsecured Claims in an aggregate amount greater than \$500,000.00 shall receive its Pro Rata Share of the New Common Stock on account of the allowed amount of such claim(s), unless it elects on its Ballot to reduce the Allowed amount of its Class 3(a) General Unsecured Claim(s) to \$500,000.00 and to receive Cash in lieu of its Pro Rata Share of the New Common Stock, in which case such Creditor shall receive cash in an amount equal to \$225,000 in respect of all of its Allowed Class 3(a) General Unsecured Claims; *provided*, that for the purpose of determining eligibility to receive Cash distributions pursuant to this Section 4.3(d)(ii), the aggregate amount of Allowed Class 3(a) General Unsecured Claims held by a single holder shall be calculated as the sum of all Allowed Class 3(a) General Unsecured Claims held by the holder and all Affiliates of such holder; *provided, further* that Allowed Class 3(a) General Unsecured Claims that were transferred to a holder from a non-Affiliate of such holder in accordance with the Claims Trading Order shall only be aggregated with other transferred Class 3(a) General Unsecured Claims held by such holder to the extent such Class 3(a) General Unsecured Claims were received by the holder from the same transferee or an Affiliate of such transferee. Such distributions shall be in full and final satisfaction, settlement, release, and discharge of, and exchange for, all Allowed Class 3(a) General Unsecured Claims held by such holder.

iii. **Source of Payment.** Distributions to the holders of Allowed Class 3(a) General Unsecured Claims shall be limited to (i) a share of the New Common Stock to be issued by Reorganized RAH, as set forth in Section 6.5 and (ii) Cash distributions from the Consolidated Debtors' cash on hand.

**(e) General Unsecured Claims Against the Liquidating Debtors (Classes 3(b)-3(d))**

i. **Impairment and Voting.** Classes 3(b)-3(d) are impaired under the Plan. Holders of General Unsecured Claims against the Liquidating Debtors are deemed to reject the Plan under section 1126(g) of the Bankruptcy Code and are not entitled to vote on the Plan.

ii. **Treatment.** Holders of Allowed General Unsecured Claims against the Liquidating Debtors shall not be entitled to distributions under the Plan.

**(f) Section 510(b) Claims (Class 4)**

The holders of Section 510(b) Claims shall neither receive any distributions nor retain any property on account thereof pursuant to the Plan. All Section 510(b) Claims shall be cancelled and extinguished.

**(g) Interests in RAH (Class 5)**

i. **Impairment and Voting.** Class 5 is impaired under the Plan. Holders of Interests in RAH are deemed to reject the Plan under section 1126(g) of the Bankruptcy Code and are not entitled to vote on the Plan.

ii. **Treatment.** Upon the Effective Date, all existing Interests in RAH shall be deemed cancelled and extinguished and the holders of such Interests shall not receive or retain any property on account of such Interests under the Plan.

**(h) Subsidiary Interests (Class 6)**

i. **Impairment and Voting.** Holders of Subsidiary Interests have consented to the treatment of their Interests, are deemed to consent to the Plan, and are not entitled to vote.

ii. **Treatment.** Upon the Effective Date, at the Debtors' option, each Subsidiary Interest shall either be (i) cancelled (or otherwise eliminated) and receive no distribution under the Plan or (ii) unaffected by the Plan, and the Post-Effective Date Debtor holding such Subsidiary Interest shall continue to hold such Subsidiary Interest, subject to the Merger discussed in Section 6.2 and the restructuring transactions discussed in Section 6.4.

**Section 4.4. Treatment of Intercompany Claims**

In accordance with and giving effect to the provisions of section 1124(1) of the Bankruptcy Code, Intercompany Claims are unimpaired by the Plan. However, the Debtors retain the right, with the consent of the Creditors' Committee (which consent shall not be unreasonably withheld), to eliminate or adjust any Intercompany Claims as of the Effective Date by offset, cancellation, contribution, or otherwise.

**ARTICLE 5  
ACCEPTANCE OR REJECTION OF THE PLAN**

**Section 5.1. Voting of Claims**

Each holder of a Claim in an Impaired Class as of the Voting Record Date that is entitled to vote on the Plan pursuant to Article 4 of the Plan shall be entitled to vote to accept or reject the Plan as provided in the Approval Order or any other order of the Bankruptcy Court.



### **Section 5.2. Presumed Acceptance of Plan**

Classes 1 and 2 are Unimpaired by the Plan. Pursuant to section 1126(f) of the Bankruptcy Code, the holders of Claims in such Classes are conclusively presumed to have accepted the Plan and the votes of such holders will not be solicited.

### **Section 5.3. Presumed Rejection of Plan**

General Unsecured Claims against the Liquidating Debtors (Classes 3(b)-3(d)), Section 510(b) Claims (Class 4) and Interests in RAH (Class 5) shall not receive any distribution under the Plan on account of such Claims or Interests. Pursuant to section 1126(g) of the Bankruptcy Code, the holders of Claims and Interests in such Classes are conclusively presumed to have rejected the Plan and the votes of such holders will not be solicited.

### **Section 5.4. Acceptance by Impaired Classes**

Pursuant to section 1126(c) of the Bankruptcy Code, and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims shall have accepted the Plan if the holders of at least two-thirds in dollar amount and more than one-half in number of the Claims of such Class entitled to vote that actually vote on the Plan have voted to accept the Plan. Class 3(a) is Impaired, and the votes of holders of Claims in such Classes will be solicited. If holders of Claims in a particular Impaired Class of Claims were given the opportunity to vote to accept or reject the Plan, but no holders of Claims in such Impaired Class of Claims voted to accept or reject the Plan, then such Class of Claims shall be deemed to have accepted the Plan.

### **Section 5.5. Elimination of Vacant Classes**

Any Class of Claims or Interests that does not have a holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed eliminated from the Plan solely for purposes of (i) voting to accept or reject the Plan and (ii) determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

### **Section 5.6. Controversy Concerning Impairment**

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

### **Section 5.7. Nonconsensual Confirmation**

If any Impaired Class of Claims entitled to vote shall not accept the Plan by the requisite statutory majority required by section 1126(c) of the Bankruptcy Code, the Debtors reserve the right to (i) re-classify any Claim or Interest, including re-classifying any Impaired Claim or Interest as Unimpaired, (ii) amend the Plan in accordance with Article 13 of the Plan, and/or (iii) undertake to have the Bankruptcy Court confirm the Plan under section 1129(b) of the Bankruptcy Code. To the extent necessary, the Debtors hereby request confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code.

## ARTICLE 6 IMPLEMENTATION OF THE PLAN

The Plan shall be implemented on the Effective Date. In addition to the provisions set forth elsewhere in this Plan regarding means of execution, the following shall constitute the principal means for the implementation of the Plan.

### **Section 6.1. Continued Corporate Existence**

Except as otherwise provided in the Plan, and subject to the Merger and the restructuring transactions described in Sections 6.2 and 6.4, each Debtor shall, as a Post-Effective Date Debtor continue to exist after the Effective Date as a separate legal entity, each with all the powers of a corporation under the laws of its respective jurisdiction of organization and without prejudice to any right to alter or terminate such existence (whether by merger or otherwise) under applicable state law.

From and after the Effective Date, the Consolidated Debtors shall continue to engage in business. From and after the Effective Date, each Liquidating Debtor shall continue to engage in business only to the extent reasonably necessary to wind up its affairs in an orderly manner and make any distributions under this Plan, or as it deems appropriate for other purposes so long as not otherwise inconsistent with the Plan. Specifically with regard to the Liquidating Debtors, the Post-Effective Date Debtors shall have full authority, and shall take any action necessary, to wind up the affairs, liquidate, transfer or abandon assets, and dissolve and terminate the existence of the Liquidating Debtors in a manner and in accordance with the best means to maximize assets and minimize expenses or costs associated with such liquidation under applicable state laws and in accordance with the rights, powers, and responsibilities conferred by the Bankruptcy Code, this Plan and any order of the Bankruptcy Court; *provided, however*, that the Post-Effective Date Debtors may elect to forego liquidation of any Liquidating Debtor if they determine, in their sole discretion, prior to or after the Effective Date, that costs and expenses associated with liquidation outweigh the benefits of maintaining the corporate existence of such Liquidating Debtor.

Except as provided herein, the Consolidated Debtors shall continue such business, and each Liquidating Debtor shall maintain operations as provided above, without supervision by the Bankruptcy Court and free of any restrictions under the Bankruptcy Code or the Bankruptcy Rules. The Post-Effective Date Debtors shall be authorized, without limitation, to use and dispose of the assets of the Estates of the Debtors to acquire and dispose of other property, to insure the assets of the Estates of the Debtors, to borrow money, to employ and compensate Agents, to reconcile and object to Claims, and to make distributions to Creditors in accordance with the Plan.

### **Section 6.2. Merger and Surrender of Shuttle Air Carrier Certificate**

On November 3, 2016, the Debtors filed the Merger Approval Motion seeking authority to merge Shuttle into Republic Airline. If the Merger Approval Motion is granted, such Merger shall occur on January 31, 2017 even if the Effective Date has not yet occurred.

The Debtors or the Post-Effective Date Debtors, as the case may be, shall take all such actions as may be necessary or appropriate to effect the Merger, including without limitation (i) causing the Certificate of Merger to be filed with the Secretary of State of the State of Indiana in accordance with the Indiana Business Corporation Law and (ii) taking or causing to be taken all other actions, including making appropriate filings. The Debtors intend that for U.S. federal income tax purposes, any merger of Shuttle into Republic Airline prior to the Effective Date shall constitute an initial step in, and part of a plan with, the transactions described in this Plan.

### **Section 6.3. Exit Financing**

The Debtors may, with the consent of the Creditors' Committee, agree to raise Exit Financing. The terms of such Exit Financing, if any, will be disclosed in the Plan Supplement.

### **Section 6.4. Restructuring Transactions**

On or after the Effective Date, the Post-Effective Date Debtors may engage in or take such actions that the Reorganized Board determines may be necessary or appropriate to effect corporate restructurings of the businesses of the Post-Effective Date Debtors, including actions necessary to simplify, reorganize, and rationalize the overall reorganized organizational structure of the Post-Effective Date Debtors. The transactions may include (a) dissolving companies or creating new companies (including limited liability companies), (b) merging, dissolving, transferring assets or otherwise consolidating any of the Debtors in furtherance of the Plan, or engaging in any other transaction in furtherance of the Plan, (c) filing appropriate certificates or articles of merger, consolidation, or dissolution pursuant to applicable state law, and (d) any other action reasonably necessary or appropriate in connection with such organizational restructurings. In each case in which the surviving, resulting, or acquiring Entity in any of these transactions is a successor to a Post-Effective Date Debtor, such surviving, resulting, or acquiring Entity will perform the obligations of the applicable Post-Effective Date Debtor pursuant to the Plan, including paying or otherwise satisfying the Allowed Claims to be paid by such Post-Effective Date Debtor. Implementation of any restructuring transactions shall not affect any distributions, discharges, exculpations, releases, or injunctions set forth in the Plan.

### **Section 6.5. Issuance of New Common Stock; Stockholders Agreement**

Without further act or action under applicable law, regulation, order, or rule, Reorganized RAH is authorized to issue the New Common Stock on the Effective Date pursuant to the terms of the Plan, free and clear of all Liens, Claims, and other Interests.

The New Common Stock allocable to Class 3(a) General Unsecured Claims shall represent all of the ownership interests in Reorganized RAH (remaining after giving effect to the New Common Stock Reserved for Issuance to Management issuable under the Management Equity Plan). Any holder of shares of New Common Stock shall be required to enter into the Stockholders Agreement, whether such holder acquires such shares as of the Effective Date or subsequent thereto. The Amended Certificate of Incorporation and/or the Stockholders Agreement will include certain restrictions on transfers of the New Common Stock, which shall be reasonably agreed to between the Debtors and the Creditors' Committee and disclosed in the Plan Supplement.

The New Common Stock when issued or distributed as provided in the Plan, will be duly authorized, validly issued and, if applicable, fully paid and nonassessable. Each distribution and issuance of such New Common Stock shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Person receiving such distribution or issuance.

The Debtors (and each of their respective affiliates, agents, directors, officers, members, managers, employees, advisors, and attorneys) have, and upon Confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code and applicable law with regard to the distribution of the New Common Stock under the Plan (including, without limitation, any awards made under the Management Equity Plan), and therefore are not, and on account of such distributions will not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan. Upon entry of the Confirmation Order, all provisions of the Plan addressing distribution of the New Common Stock shall be deemed necessary and proper.

#### **Section 6.6. Section 1145 Exemption; Air Carrier Regulatory Matters.**

It is integral and essential to the Plan that (i) the issuance of the New Common Stock pursuant to this Plan shall be exempt from registration under the Securities Act, pursuant to section 1145 of the Bankruptcy Code and from registration under state securities law and (ii) the Debtors shall be in compliance with any and all applicable federal statutes and regulations restricting the level of ownership of a United States air carrier by Non-U.S. Citizens. The offer, issuance, and distribution of all of the shares of New Common Stock hereunder to holders of Allowed Claims against the Debtors, shall be exempt, pursuant to section 1145 of the Bankruptcy Code, from registration under (i) the Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder and (ii) any state or local law requiring registration for the offer, issuance, or distribution of securities. In addition, to the maximum extent provided by section 1145 of the Bankruptcy Code, any securities contemplated by the Plan and any and all agreements incorporated therein, including the New Common Stock, shall be subject to (i) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, (ii) compliance with any rules and regulations of the Securities and Exchange Commission, if any, applicable at the time of any future transfer of such securities or instruments, (iii) the restrictions, if any, on the transferability of such securities and instruments, including those set forth in the Amended Certificate of Incorporation and/or the Stockholders Agreement; and (iv) applicable regulatory approval, if any.

#### **Section 6.7. Management Equity Plan**

The Debtors shall adopt the Management Equity Plan specified in the Plan Supplement. The solicitation of votes on the Plan shall be deemed a solicitation of the holders of New Common Stock for approval of the Management Equity Plan. Entry of the order confirming the Plan shall constitute such approval, and the order confirming the Plan shall so provide. The

Management Equity Plan will become effective as of the Effective Date and will remain in effect as long as any awards remain outstanding.

#### **Section 6.8. Cancellation of Existing Securities and Related Agreements**

On the Effective Date, all rights of any holder of Claims against, or Interest in, the Debtors, including options or warrants to purchase Interests, obligating the Debtors to issue, transfer, or sell Interests or any other capital stock of the Debtors, shall be cancelled and retired and cease to exist; *provided, however*, that any cancellation or retirement of agreements giving rise to such Claims against, or Interests in, the Debtors, shall only be with respect to the Debtors or the Post-Effective Date Debtors, as the case may be, and shall not alter the rights or obligations of any non-Debtor parties inter se with respect to such agreements. This Section 6.8 does not apply with respect to any New Common Stock, Subsidiary Interests, or any other equity securities or rights to acquire or receive equity securities or any other awards of any kind relating to Post-Effective Date Debtors that are issued in accordance with or pursuant to the Plan.

#### **Section 6.9. Hart-Scott-Rodino Compliance**

Any shares of New Common Stock to be distributed under the Plan to any Person or Entity required to file a “Premerger Notification and Report Form” under the HSR Act shall not be distributed until the notification and waiting periods applicable (if any) under such Act to such Person or Entity shall have expired or been terminated.

#### **Section 6.10. Tax Identification Numbers**

The Post-Effective Date Debtors may require any Creditors to furnish their social security number, employer, or taxpayer identification number, and the Post-Effective Date Debtors may condition any distribution upon receipt of such identification number and supporting documentation (including, without limitation, an IRS Form W-9 in the case of a U.S. Citizen or other appropriate form in the case of a Non-U.S. Citizen).

#### **Section 6.11. Exclusivity Period**

Subject to Article 13 of the Plan and section 1121(d) of the Bankruptcy Code, the Debtors will retain the exclusive right to amend or modify the Plan and to solicit acceptances of any amendments to or modifications of the Plan, through and until the Effective Date.

#### **Section 6.12. Creditors’ Committee**

On the Effective Date, the Creditors’ Committee shall be dissolved and the members of the Creditors’ Committee shall be released and discharged from any further authority, duties, responsibilities, liabilities, and obligations related to, or arising from, the Chapter 11 Cases, except that the Creditors’ Committee shall continue in existence and have standing and capacity to prepare and prosecute (i) applications for compensation by professionals and requests for reimbursement of expenses incurred by the Creditors’ Committee or any of the estates’ Professionals, and (ii) any motions or other actions seeking enforcement or implementation of the provisions of this Plan or the Confirmation Order or pending appeals of Orders entered in the Chapter 11 Cases.

**Section 6.13. Final Decree**

At any time following the Effective Date, the Post-Effective Date Debtors shall be authorized to file a motion for the entry of a final decree closing the Chapter 11 Cases pursuant to section 350 of the Bankruptcy Code.

**ARTICLE 7  
PROVISIONS GOVERNING DISTRIBUTIONS**

**Section 7.1. Distributions by the Debtors**

The Debtors shall administer Claims and make distributions in respect of Allowed Claims; *provided, however*, the Debtors may elect to designate and/or retain a third party to serve as disbursing agent without the need for any further order of the Bankruptcy Court.

**Section 7.2. Distributions on Account of Claims Allowed as of the Effective Date**

Except as otherwise provided herein, a Final Order, or as agreed by the relevant parties, distributions on account of Allowed Claims that become Allowed prior to the Effective Date shall be made by the Debtors on or as soon as reasonably practicable after the Effective Date.

**Section 7.3. Distributions on Account of Claims Allowed After the Effective Date.**

**(a) Distribution Record Date.** On the Distribution Record Date, the claims register shall be closed and any transfer of any Claim therein shall be prohibited. The Debtors and any party designated by the Debtors shall be authorized and entitled to recognize and deal for all purposes under the Plan with only those record holders stated on the claims register as of the close of business on the Distribution Record Date.

**(b) Distributions on Account of Disputed Claims and Estimated Claims.** Except as otherwise provided herein, a Final Order, or as agreed by the relevant parties, distributions on account of Disputed Claims and Estimated Claims that become Allowed after the Effective Date shall be made by the applicable Post-Effective Date Debtors at such periodic intervals as such entities determine to be reasonably prudent.

**Section 7.4. No Distributions Pending Allowance**

Notwithstanding anything herein to the contrary: (a) no distribution shall be made with respect to any Disputed Claim or Estimated Claim until such Claim becomes an Allowed Claim, and (b) unless determined otherwise by the Post-Effective Date Debtors, no distribution shall be made to any Person that holds both an Allowed Claim and either a Disputed Claim or an Estimated Claim until such Person's Disputed Claims and Estimated Claims have been resolved by settlement or Final Order.

**Section 7.5. Distribution of New Common Stock.**

On or as soon as practicable after the Effective Date, the Post-Effective Date Debtors shall distribute to those holders of Allowed Claims that are entitled to receive New Common Stock on the Effective Date a distribution of each such holder's Pro Rata Share of New Common Stock. With respect to any Disputed Claim or Estimated Claim that becomes an Allowed Claim entitled to receive New Common Stock after the Effective Date, on the next Class 3(a) Distribution Date following the date on which such Disputed Claim or Estimated Claim becomes an Allowed Claim, the Post-Effective Date Debtors shall distribute to the holder of such Allowed Claim its Pro Rata Share of New Common Stock. On each Interim Distribution Date, the Post-Effective Date Debtors shall distribute to the holders of New Common Stock a True-Up New Common Stock Distribution. After all Disputed Claims and Estimated Claims have become Allowed Claims or otherwise been disallowed, on the Final Distribution Date, the Post-Effective Date Debtors shall make a final distribution of New Common Stock such that each holder of New Common Stock (including any holder of an Allowed Claim who first becomes entitled to receive New Common Stock on such Class 3(a) Distribution Date) has received its Pro Rata Share of New Common Stock. The Amended Certificate of Incorporation shall be structured in a manner that authorizes the issuance of and/or reserve of a sufficient number of New Common Stock, to permit the distributions set forth above.

**Section 7.6. Distributions in Cash.**

The Post-Effective Date Debtors shall make any required Cash payments to the holders of Allowed Claims: (x) in U.S. dollars by check, draft, or warrant, drawn on a domestic bank selected by the Post-Effective Date Debtors in their sole discretion, or by wire transfer from a domestic bank, at the applicable foregoing entity's option, and (y) by first-class mail (or by other equivalent or superior means as determined by the Post-Effective Date Debtors).

**Section 7.7. Claims Paid or Payable by Third Parties**

**(a) Claims Paid by Third Parties**

To the extent a Creditor receives a distribution on account of a Claim and also receives payment from a party that is not a Debtor or a Post-Effective Date Debtor on account of such Claim, such Creditor shall, within 30 calendar days of receipt thereof, repay and/or return the distribution to the Post-Effective Date Debtors, to the extent the Creditor's total recovery on account of such Claim from the third party and under this Plan exceeds the amount of the Claim as of the date of any such distribution under this Plan.

The Claims Agent shall expunge any Claim from the official claims register, without a claims objection having to be filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Creditor receives payment in full on account of such Claim; *provided, however*, that to the extent the non-Debtor party making the payment is subrogated to the Creditor's Claim, the non-Debtor party shall have a 30-calendar-day grace period to notify the Claims Agent of such subrogation rights.

**(b) Claims Payable by Third Parties**

To the extent that one or more of the Debtors' insurers agrees to satisfy a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, such Claim may be expunged (to the extent of any agreed-upon satisfaction) on the official claims register by the Claims Agent without a claims objection having to be filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

**Section 7.8. Foreign Currency Exchange Rate**

As of the Effective Date, any General Unsecured Claim asserted in a currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate on the Commencement Date, as quoted at 4:00 p.m., mid-range spot rate of exchange for the applicable currency as published in *The Wall Street Journal*, Eastern Edition, on the day after the Commencement Date.

**Section 7.9. Undeliverable Distributions**

If any distribution under the Plan is returned as undeliverable, no further distributions to such Person shall be made unless and until the Post-Effective Date Debtors or other appropriate disbursing agent is notified in writing of such holder's then-current address, at which time the undelivered distributions shall be made to such holder without interest or dividends. Undeliverable distributions shall be returned to the Post-Effective Date Debtors until such distributions are claimed, subject to Section 7.10 below.

**Section 7.10. Unclaimed Distributions**

Any entity that fails to claim any Cash within one hundred twenty (120) days from the date upon which a distribution of Cash is first made to such entity shall forfeit all rights to any distribution under the Plan, and the Post-Effective Date Debtors shall be authorized to cancel any distribution that is not timely claimed. Pursuant to section 347(b) of the Bankruptcy Code, upon forfeiture, such Cash (including interest thereon, if any) shall revert to the Post-Effective Date Debtors free of any restrictions under the Plan, the Bankruptcy Code, or the Bankruptcy Rules. Upon forfeiture, the claim of any Creditor with respect to such funds shall be discharged and forever barred notwithstanding any federal or state escheat laws to the contrary, and such Creditors shall have no claim whatsoever against the Debtors or the Post-Effective Date Debtors.

Any entity that fails to claim any New Common Stock within one (1) year from the date upon which a distribution of New Common Stock is first made to such entity shall forfeit all rights to any distribution under the Plan, and the Post-Effective Date Debtors shall be authorized to cancel any distribution that is not timely claimed. Upon forfeiture, such New Common Stock shall be returned to the Post-Effective Date Debtors. Upon forfeiture, the claim of any Creditor with respect to such New Common Stock shall be discharged and forever barred notwithstanding any federal or state escheat laws to the contrary, and such Creditors shall have no claim whatsoever against the Debtors or the Post-Effective Date Debtors.



### **Section 7.11. Setoff**

Nothing contained in this Plan shall constitute a waiver or release by the Debtors of any right of setoff or recoupment the Debtors may have against any Creditor. To the extent permitted by applicable law, the Post-Effective Date Debtors may setoff or recoup against any Claim and the payments or other distributions to be made under the Plan in respect of such Claim, claims of any nature whatsoever that arose before the Commencement Date that the Debtors may have against the holder of such Claim or Interest. Notwithstanding the foregoing or anything to the contrary elsewhere in the Plan, nothing in this Plan or the Confirmation Order shall prejudice, affect, or limit (1) any rights of any Person to assert or effectuate rights of setoff under section 553 of the Bankruptcy Code or otherwise assert Claims, including Administrative Claims, against the Debtors, the Post-Effective Date Debtors, the Estates, or any transferee thereof, by way of offset, recoupment, or counterclaim to the extent permitted by applicable law; or (2) any defense to any Causes of Action or any other claims asserted by the Debtors, the Post-Effective Date Debtors, the Estates, or any transferee thereof.

### **Section 7.12. Taxes**

The Post-Effective Date Debtors shall be authorized to take all actions necessary to comply with applicable withholding and reporting requirements. Pursuant to section 346(f) of the Bankruptcy Code, the Post-Effective Date Debtors shall be entitled to deduct any federal, state, or local withholding taxes from any Cash payments made with respect to Allowed Claims, as appropriate. In the case of a non-Cash distribution that is subject to withholding, the distributing party may withhold an appropriate portion of such distributed property and sell such withheld property to generate Cash necessary to pay over the withholding tax. Any amounts withheld pursuant to the preceding sentence shall be deemed to have been distributed to and received by the applicable recipient for all purposes of the Plan. Notwithstanding the foregoing, each holder of an Allowed Claim or any other Person that receives a distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction or payment of any taxes imposed by any governmental unit, including, without limitation, income, withholding, and other taxes, on account of such distribution. Any party issuing any instrument or making any distribution pursuant to the Plan has the right, but not the obligation, to not make a distribution until such holder has made arrangements satisfactory to such issuing or disbursing party for payment of any such tax obligations. For tax purposes, distributions received in respect of Allowed Claims will be allocated first to the principal amount of such Claims, with any excess allocated to unpaid accrued interest and original issue discount, if any.

### **Section 7.13. De Minimis Distributions**

If any interim distribution under the Plan to the holder of an Allowed Claim would be less than \$100.00 or a fractional number of New Common Stock, the applicable Post-Effective Date Debtor may withhold such distribution until the next Interim Distribution Date or the final distribution, as applicable, is made to such holder. If any final distribution under the Plan to the holder of an Allowed Claim would be less than \$25.00 or a fractional number of New Common Stock, the applicable Post-Effective Date Debtor may cancel such distribution. Any unclaimed distributions pursuant to this Section 7.13 shall be treated as unclaimed property under Section 7.10 of the Plan.

**Section 7.14. Fractional Shares**

No fractional shares or number of the New Common Stock shall be issued or distributed under the Plan. The actual distribution of shares or number of the New Common Stock shall be rounded to the next higher or lower whole number as follows: (i) fractions less than one-half ( $\frac{1}{2}$ ) shall be rounded to the next lower whole number and (ii) fractions equal to or greater than one-half ( $\frac{1}{2}$ ) shall be rounded to the next higher whole number. The total amount of shares or number of New Common Stock to be distributed hereunder shall be adjusted as necessary to account for such rounding. No consideration shall be provided in lieu of fractional shares or numbers that are rounded down.

**Section 7.15. No Interest**

Other than as provided by section 506(b) of the Bankruptcy Code or as specifically provided for in the Plan, the Confirmation Order, or the DIP Facility, postpetition interest shall not accrue or be paid on Claims and no holder of a Claim shall be entitled to interest accruing on or after the Commencement Date on any Claim or right. Additionally, and without limiting the foregoing, interest shall not accrue or be paid on any Claim or Disputed Claim with respect to the period from and after the Effective Date; *provided, however*, that nothing in this Section 7.15 shall limit any rights of any governmental unit (as defined in section 101(27) of the Bankruptcy Code) to interest under sections 503, 506(b), 1129(a)(9)(A), or 1129(a)(9)(C) of the Bankruptcy Code or as otherwise provided for under applicable law.

**ARTICLE 8  
DISPUTED CLAIMS**

**Section 8.1. Objections to Claims**

From and after the Effective Date, the Post-Effective Date Debtors shall have the sole authority to object to all Claims; *provided, however*, that the Post-Effective Date Debtors shall not be entitled to object to any Claim that has been expressly allowed by Final Order or under this Plan.

**Section 8.2. Estimation**

In order to establish reserves under this Plan and avoid undue delay in the administration of these Chapter 11 Cases, the Debtors and the Post-Effective Date Debtors shall have the right to seek an order of the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code, estimating the amount of any Claim.

**Section 8.3. Objection Deadline**

The Post-Effective Date Debtors shall file all objections to Disputed Claims, and shall file all motions to estimate Claims under section 502(c) of the Bankruptcy Code, on or before the Claims Objection Deadline.

#### **Section 8.4. Resolution of Disputed Claims**

On and after the Effective Date, the Post-Effective Date Debtors shall have the sole authority to litigate, compromise, settle, otherwise resolve or withdraw any objections to Claims and to compromise, settle, or otherwise resolve any Disputed Claims without notice to or approval by the Bankruptcy Court or any other party.

### **ARTICLE 9 EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

#### **Section 9.1. Rejection of Executory Contracts and Unexpired Leases**

Pursuant to sections 365 and 1123 of the Bankruptcy Code, each executory contract and unexpired lease to which any Debtor is a party shall be deemed automatically rejected by the Debtors effective as of the Effective Date, except for any executory contract or unexpired lease that (i) has been assumed or rejected pursuant to an order of the Bankruptcy Court entered prior to the Effective Date, (ii) is the subject of a motion to assume or reject pending on the Effective Date, (iii) is listed on Schedule 9.1 to the Plan Supplement, or (iv) as to which a Treatment Objection has been filed and properly served by the Treatment Objection Deadline. If an executory contract or unexpired lease either (x) has been assumed or rejected pursuant to an order of the Bankruptcy Court entered prior to the Effective Date or (y) is the subject of a motion to assume or reject pending on the Confirmation Date, then the listing of any such executory contract or unexpired lease on the aforementioned schedule shall be of no effect.

#### **Section 9.2. Schedules of Executory Contracts and Unexpired Leases**

(a) Schedule 9.1 to the Plan Supplement shall represent the Debtors' then-current good faith belief regarding the intended treatment of the executory contracts and unexpired leases listed thereon. The Debtors shall file any amendments to Schedule 9.1 to the Plan Supplement with the Bankruptcy Court and shall serve all notices thereof only on the relevant Assumption Parties and Rejection Parties.

(b) The Debtors reserve the right, on or prior to 3:00 p.m. (prevailing Eastern Time) on the date that is two Business Days prior to the commencement of the Confirmation Hearing (i) to amend Schedule 9.1 to the Plan Supplement in order to add, delete, or reclassify any executory contract or unexpired lease or amend a proposed assignment and (ii) to amend the Proposed Cure, in each case with respect to any executory contract or unexpired lease previously listed as to be assumed; *provided, however*, that if the Confirmation Hearing is adjourned for a period of more than two consecutive calendar days, such amendment right shall be extended to 3:00 p.m. on the date that is two Business Days prior to the rescheduled or continued Confirmation Hearing, and this proviso shall apply in the case of any and all subsequent adjournments of the Confirmation Hearing; *provided, further* that (a) with respect to Intercompany Contracts and agreements proposed to be rejected as of the above deadline, the Debtors reserve the right to make amendments at any time prior to Confirmation and (b) the Debtors may amend Schedule 9.1 to the Plan Supplement in order to add, delete, or reclassify any executory contracts or unexpired leases or amend proposed assignments after such date to the extent agreed with the relevant counterparties.

(c) The listing of any contract or lease on Schedule 9.1 to the Plan Supplement is not an admission that such contract or lease is an executory contract or unexpired lease. The Debtors reserve the right to assert that any of the agreements listed on Schedule 9.1 to the Plan Supplement are not executory contracts or unexpired leases.

### **Section 9.3. Assumption and Rejection Procedures and Resolution of Treatment Objections**

#### **(a) Proposed Assumptions**

(i) With respect to any executory contract or unexpired lease to be assumed pursuant to any provision of the Plan or any Notice of Intent to Assume or Reject, unless an Assumption Party files and properly serves a Treatment Objection by the Treatment Objection Deadline, such executory contract or unexpired lease shall be deemed assumed and, if applicable, assigned as of the Assumption Effective Date proposed by the Debtors or Post-Effective Date Debtors, without any further notice to or action by the Bankruptcy Court, and any obligation the Debtors or Post-Effective Date Debtors may have to such Assumption Party with respect to such executory contract or unexpired lease under section 365(b) of the Bankruptcy Code shall be deemed fully satisfied by the Proposed Cure, if any, which shall be the Cure.

(ii) Any objection to the assumption or assignment of an executory contract or unexpired lease that is not timely filed and properly served shall be denied automatically and with prejudice (without the need for any objection by the Debtors or the Post-Effective Date Debtors and without any further notice to or action, order, or approval by the Bankruptcy Court), and any Claim relating to such assumption or assignment shall be forever barred from assertion and shall not be enforceable against any Debtor or Post-Effective Date Debtor or their respective Estates or properties without the need for any objection by the Debtors or the Post-Effective Date Debtors and without any further notice to or action, order, or approval by the Bankruptcy Court, and any obligation the Debtors or the Post-Effective Date Debtors may have under section 365(b) of the Bankruptcy Code (over and above any Proposed Cure) shall be deemed fully satisfied, released, and discharged, notwithstanding any amount or information included in the Schedules or any Proof of Claim.

#### **(b) Proposed Rejections**

(i) With respect to any executory contract or unexpired lease to be rejected pursuant to any provision of the Plan or any Notice of Intent to Assume or Reject, unless a Rejection Party files and properly serves a Treatment Objection by the Treatment Objection Deadline, such executory contract or unexpired lease shall be deemed rejected as of the Rejection Effective Date proposed by the Debtors or Post-Effective Date Debtors without any further notice to or action by the Bankruptcy Court.

(ii) Any objection to the rejection of an executory contract or unexpired lease that is not timely filed and properly served shall be deemed denied automatically and with prejudice (without the need for any objection by the Debtors or the Post-Effective Date Debtors and without any further notice to or action, order, or approval by the Bankruptcy Court).

**(c) Resolution of Treatment Objections**

(i) Both on and after the Effective Date, the Post-Effective Date Debtors may, in their sole discretion, settle Treatment Objections without any further notice to or action by the Bankruptcy Court or any other party (including by paying any agreed Cure amounts).

(ii) With respect to each executory contract or unexpired lease as to which a Treatment Objection is timely filed and properly served and that is not otherwise resolved by the parties after a reasonable period of time, the Debtors, in consultation with the Bankruptcy Court, shall schedule a hearing on such Treatment Objection and provide at least 14 calendar days' notice of such hearing to the relevant Assumption Party or Rejection Party. Unless the Bankruptcy Court expressly orders or the parties agree otherwise, any assumption or rejection approved by the Bankruptcy Court notwithstanding a Treatment Objection shall be effective as of the Assumption Effective Date or Rejection Effective Date originally proposed by the Debtors or specified in the Plan.

(iii) Any Cure shall be paid as soon as reasonably practicable following the entry of a Final Order resolving an assumption dispute and/or approving an assumption (and, if applicable, assignment), unless the Debtors or Post-Effective Date Debtors file a Notice of Intent to Assume or Reject under Section 9.3(d).

(iv) No Cure shall be allowed for a penalty rate or default rate of interest, each to the extent not proper under the Bankruptcy Code or applicable law.

**(d) Reservation of Rights**

If a Treatment Objection is filed with respect to any executory contract or unexpired lease sought to be assumed or rejected by any of the Post-Effective Date Debtors, the Post-Effective Date Debtors reserve the right (i) to seek to assume or reject such agreement at any time before the assumption, rejection, assignment, or Cure with respect to such agreement is determined by Final Order and (ii) to the extent a Final Order is entered resolving a dispute as to Cure or the permissibility of assignment (but not approving the assumption of the executory contract or unexpired lease sought to be assumed), to seek to reject such agreement within 14 calendar days after the date of such Final Order, in each case by filing with the Bankruptcy Court and serving upon the applicable Assumption Party or Rejection Party, as the case may be, a Notice of Intent to Assume or Reject.

**Section 9.4. Post-Commencement Date Agreements**

Unless inconsistent with the provisions of the Plan, all contracts, leases, and other agreements entered into or restated by the Debtors on or after the Commencement Date, which have not expired or been terminated in accordance with their terms, shall be performed by the Debtors in the ordinary course of business and shall survive and remain in full force and effect following the Effective Date.

### **Section 9.5. Management Agreements**

Each Management Agreement identified in the Plan Supplement shall be deemed assumed, each as modified pursuant to terms agreed upon among the Debtors, the Creditors' Committee, and the affected employee, effective as of the Effective Date.

### **Section 9.6. Pension Plan**

Reorganized Midwest will assume and assign to Reorganized RAH the Pension Plan on the Effective Date. Reorganized RAH will continue to fund the Pension Plan in accordance with the minimum funding standards under the Internal Revenue Code and ERISA, pay all required PBGC insurance premiums, and administer and operate the Pension Plan in accordance with its terms and the provisions of ERISA.

No provision contained in the Plan, the Confirmation Order, or section 1141 of the Bankruptcy Code shall be construed as discharging, releasing, or relieving any party, in any capacity, from any liability with respect to the Pension Plan under ERISA. Neither the PBGC nor the Pension Plan shall be enjoined or precluded from enforcing any such liability against any party as a result of any of the provisions for satisfaction, release, injunction, exculpation, and discharge of claims in the Plan, Confirmation Order, or Bankruptcy Code; *provided, however*, that nothing contained in the Plan or Confirmation Order shall be deemed to constitute a waiver of any rights or protections under section 362 of the Bankruptcy Code.

### **Section 9.7. Collective Bargaining Agreements**

Each Collective Bargaining Agreement shall be deemed assumed effective as of the Effective Date. Each Collective Bargaining Agreement assumed pursuant to this Section 9.7 shall vest in and be fully enforceable by the applicable Post-Effective Date Debtor in accordance with its terms. The assumption obligations for each of the Collective Bargaining Agreements shall be satisfied by the Post-Effective Date Debtors paying in the ordinary course all obligations arising under the Collective Bargaining Agreements, including grievance settlements and arbitration awards unless otherwise agreed between the Debtors and the counterparty to the Collective Bargaining Agreement.

### **Section 9.8. Rejection Claims**

Any Rejection Claim must be filed with the Claims Agent by the Rejection Bar Date. Any Rejection Claim for which a Proof of Claim is not properly filed and served by the Rejection Bar Date shall be forever barred and shall not be enforceable against the Debtors, the Post-Effective Date Debtors, or their respective Estates or properties. The Debtors or the Post-Effective Date Debtors, as applicable, may contest any Rejection Claim in accordance with Section 8.1 of the Plan.

### **Section 9.9. Assignment**

To the extent provided under the Bankruptcy Code or other applicable law, any executory contract or unexpired lease transferred and assigned pursuant to the Plan shall remain in full force and effect for the benefit of the transferee or assignee in accordance with its terms,

notwithstanding any provision in such executory contract or unexpired lease (including those of the type described in section 365(b)(2) of the Bankruptcy Code) that prohibits, restricts, or conditions such transfer or assignment. To the extent provided under the Bankruptcy Code or other applicable law, any provision that prohibits, restricts, or conditions the assignment or transfer of any such executory contract or unexpired lease or that terminates or modifies such executory contract or unexpired lease or allows the counterparty to such executory contract or unexpired lease to terminate, modify, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon any such transfer and assignment constitutes an unenforceable anti-assignment provision and is void and of no force or effect.

**Section 9.10. Approval of Assumption, Rejection, Retention, or Assignment of Executory Contracts and Unexpired Leases**

(a) Entry of the Confirmation Order by the Bankruptcy Court shall, subject to the occurrence of the Effective Date, constitute approval of the rejections, retentions, assumptions, and/or assignments contemplated by the Plan pursuant to sections 365 and 1123 of the Bankruptcy Code. Each executory contract and unexpired lease that is assumed (and/or assigned) pursuant to the Plan, shall vest in and be fully enforceable by the applicable Post-Effective Date Debtor in accordance with its terms as of the applicable Assumption Effective Date, except as modified by the provisions of the Plan, any order of the Bankruptcy Court authorizing or providing for its assumption (and/or assignment), or applicable federal law.

(b) The provisions (if any) of each executory contract or unexpired lease assumed and/or assigned pursuant to the Plan that are or may be in default shall be deemed satisfied in full by the Cure, or by an agreed-upon waiver of the Cure. Upon payment in full of the Cure, any and all Proofs of Claim based upon an executory contract or unexpired lease that has been assumed in the Chapter 11 Cases or under the terms of the Plan shall be deemed disallowed and expunged with no further action required of any party or order of the Bankruptcy Court.

**Section 9.11. Modifications, Amendments, Supplements, Restatements, or Other Agreements**

Unless otherwise provided by the Plan or by separate order of the Bankruptcy Court, each executory contract and unexpired lease that is assumed, whether or not such executory contract or unexpired lease relates to the use, acquisition, or occupancy of real property, shall include (i) all modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affects such executory contract or unexpired lease and (ii) all executory contracts or unexpired leases appurtenant to the premises, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, uses, reciprocal easement agreements, and any other interests in real estate or rights in remedy related to such premises, unless any of the foregoing agreements has been or is rejected pursuant to an order of the Bankruptcy Court or is otherwise rejected as part of the Plan.

Except as expressly provided in any order of the Bankruptcy Court, modifications, amendments, supplements, and restatements to prepetition executory contracts and unexpired leases that have been executed by the Debtors during the Chapter 11 Cases and actions taken in

accordance therewith (i) do not alter in any way the prepetition nature of the executory contracts and unexpired leases, or the validity, priority, or amount of any Claims against the Debtors that may arise under the same, (ii) are not and do not create postpetition contracts or leases, (iii) do not elevate to administrative expense priority any Claims of the counterparties to the executory contracts and unexpired leases against any of the Debtors, and (iv) do not entitle any entity to a Claim under any section of the Bankruptcy Code on account of the difference between the terms of any prepetition executory contracts or unexpired leases and subsequent modifications, amendments, supplements, or restatements.

## **ARTICLE 10 PROVISIONS REGARDING CORPORATE GOVERNANCE OF THE POST-EFFECTIVE DATE DEBTORS**

### **Section 10.1. Corporate Action**

(a) **Due Authorization.** On the Effective Date, all matters provided for under the Plan that otherwise would require approval of the stockholders or directors of one or more of the Debtors shall be deemed to have occurred and shall be in effect on and after the Effective Date pursuant to the applicable general corporation (or similar) law of the jurisdictions in which the Debtors are incorporated, formed, or organized, as applicable, without any requirement of further action by the stockholders or directors of the Debtors or the Post-Effective Date Debtors.

(b) **General.** On and after the Effective Date, the adoption, filing, approval, and ratification, as necessary, of all corporate or related actions contemplated hereby with respect to each of the Post-Effective Date Debtors, including the Merger and the restructuring transactions contemplated by Sections 6.2 and 6.4, shall be deemed authorized and approved in all respects without the need for any further corporate action and without further action by the holders of Claims or Interests. All matters provided for herein involving the corporate structure of any Debtor or any Post-Effective Date Debtor, or any corporate action required by any Debtor or any Post-Effective Date Debtor in connection with the Plan, shall be deemed to have occurred and shall be in effect, without any requirement of further action by the security holders or directors of such Debtor or Post-Effective Date Debtor or by any other stakeholder. On or after the Effective Date, the appropriate officers of each Post-Effective Date Debtor and members of the board of directors, board of managers, or equivalent body of each Post-Effective Date Debtor are authorized and directed to issue, execute, deliver, file, and record any and all agreements, documents, securities, deeds, bills of sale, conveyances, releases, and instruments contemplated by the Plan in the name of and on behalf of such Post-Effective Date Debtor and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

### **Section 10.2. Certificates of Incorporation and Organizational Documents**

The Amended Certificate of Incorporation, the Amended Bylaws, and the amended certificates of incorporation for each of the other Reorganized Debtors, shall contain such provisions as may be required to be consistent with the provisions of the Plan and the Bankruptcy Code, including to, among other purposes and as applicable, (i) authorize the New Common Stock and (ii) pursuant to section 1123(a)(6) of the Bankruptcy Code, add a provision



prohibiting the issuance of non-voting equity securities to the extent required by section 1123(a)(6) of the Bankruptcy Code. After the Effective Date, the Post-Effective Date Debtors may amend and restate their Certificates of Incorporation, organizational documents, or other analogous documents as permitted by applicable law or as may otherwise be agreed by the stockholders in accordance with law or contractual agreements.

### **Section 10.3. Directors and Officers of the Post-Effective Date Debtors**

(a) Subject to the Merger and the restructuring transactions described in Sections 6.2 and 6.4, on the Effective Date, the management, control, and operation of each Post-Effective Date Debtor shall become the general responsibility of the board of directors of such Post-Effective Date Debtor or other governing body as provided in the applicable governing documents.

(b) On the Effective Date, the term of the members of the Board shall expire and such members shall be replaced by the Reorganized Board. The initial Reorganized Board shall consist of (i) Mr. Bryan Bedford, the current Chairman of the Board, President, and Chief Executive Officer of RAH, to serve for a minimum term of at least one (1) year, and (ii) six (6) Independent directors selected by the Creditors' Committee in consultation with the Debtors. The identity of the initial Reorganized Board and the initial Chair of the Reorganized Board shall be disclosed in the Plan Supplement. The replacement of any member of the Reorganized Board shall be governed by the Stockholders Agreement or the Amended Bylaws, as applicable. The Debtors will disclose prior to the Confirmation Hearing any information required to be disclosed pursuant to the Bankruptcy Code. The Reorganized Board shall not be deemed to be elected or appointed until the occurrence of the Effective Date.

(c) The existing named executive officers of the Debtors shall continue in office on and after the Effective Date in accordance with the Management Agreements, as amended, which shall be assumed in accordance with Section 9.5.

## **ARTICLE 11 EFFECT OF CONFIRMATION**

### **Section 11.1. Vesting of Assets**

Upon the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all property (including all interests, rights, and privileges with respect thereto) of each of the Debtors shall vest in each of the respective Post-Effective Date Debtors free and clear of all Claims, Liens, encumbrances, charges, and other interests, except as otherwise specifically provided in the Plan. All Liens, Claims, encumbrances, charges, and other interests shall be deemed fully released and discharged as of the Effective Date, except as otherwise provided in the Plan (including, for the avoidance of doubt, Liens, Claims, encumbrances, charges, and other interests in connection with those agreements related to Claims being Reinstated under the Plan). As of the Effective Date, the Post-Effective Date Debtors may operate their businesses and may use, acquire, and dispose of property and settle and compromise Claims and Interests without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy

Code or the Bankruptcy Rules and in all respects as if there were no pending cases under any chapter or provision of the Bankruptcy Code.

### **Section 11.2. DB Credit Agreement**

The Debtors waive any right to require any lender under the DB Credit Agreement to make any revolving loan or issue any letter of credit under the DB Credit Agreement, other than the total extensions of credit outstanding as of the Effective Date; and such outstanding revolving loans and any other outstanding obligations shall be due on April 7, 2018 in accordance with the terms of the DB Credit Agreement, and with respect to any letter of credit outstanding on April 7, 2018, the Debtors shall comply with the applicable provisions of Sections 2.02(j) and 2.29(j) of the DB Credit Agreement.

### **Section 11.3. Release of Liens**

Except as otherwise provided herein (including, for the avoidance of doubt, with respect to those agreements related to Claims being Reinstated under the Plan and all mortgages, deeds of trust, Liens, pledges, or other security interests granted in connection with such agreements) or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, discharged, and compromised and all rights, titles, and interests of any holder of such mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall revert to the Post-Effective Date Debtors and their successors and assigns. The Post-Effective Date Debtors shall be authorized to file any necessary or desirable documents to evidence such release in the name of the party secured by such pre-Effective Date mortgages, deeds of trust, Liens, pledges, or other security interests.

### **Section 11.4. Releases and Discharges**

The releases and discharges of Claims and Causes of Action described in the Plan, including releases by the Debtors and by holders of Claims, constitute good faith compromises and settlements of the matters covered thereby and are consensual. Such compromises and settlements are made in exchange for consideration and are in the best interest of holders of Claims, are fair, equitable, reasonable and are integral elements of the resolution of the Chapter 11 Cases in accordance with the Plan. Each of the discharge, release, indemnification, and exculpation provisions set forth in the Plan (a) is within the jurisdiction of the Bankruptcy Court under sections 1334(a), 1334(b) and 1334(d) of title 28 of the United States Code, (b) is an essential means of implementing the Plan, (c) is an integral element of the transactions incorporated into the Plan, (d) confers material benefit on, and is in the best interests of, the Debtors, their Estates and their Creditors, and (e) is important to the overall objectives of the Plan to finally resolve all Claims among or against the parties-in-interest in the Chapter 11 Cases with provisions of the Bankruptcy Code.

### **Section 11.5. Discharge and Injunction**

**Except as otherwise specifically provided herein or in the Confirmation Order, the rights afforded in the Plan and the payments and distributions to be made hereunder shall discharge all existing debts, Causes of Action and Claims, and shall terminate all Interests of any kind, nature or description whatsoever against or in the Debtors or any of their assets or properties to the fullest extent permitted by section 1141 of the Bankruptcy Code. Except as otherwise specifically provided herein or in the Confirmation Order, upon the Effective Date, all existing Claims and Causes of Action against the Debtors and Interests in the Debtors shall be, and shall be deemed to be, discharged and terminated, and all holders of Claims, Causes of Action and Interests (and all representatives, trustees or agents on behalf of each holder) shall be precluded and enjoined from asserting against the Post-Effective Date Debtors, their successors or assignees, or any of their assets or properties, any other or further Claim, Cause of Action or Interest based upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date, whether or not such holder has filed a Proof of Claim and whether or not the facts or legal bases therefore were known or existed prior to the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims or Causes of Action against, liabilities of and Interests in the Debtors, subject to the occurrence of the Effective Date.**

**Upon the Effective Date and in consideration of the distributions to be made hereunder, except as otherwise provided herein, each holder (as well as any representatives, trustees or agents on behalf of each holder) of a Claim, Cause of Action or Interest and any Affiliate of such holder shall be deemed to have forever waived, released and discharged the Debtors, to the fullest extent permitted by section 1141 of the Bankruptcy Code, of and from any and all Claims, Causes of Action, Interests, rights and liabilities that arose prior to the Effective Date. Upon the Effective Date, all such persons shall be forever precluded and enjoined, pursuant to section 524 of the Bankruptcy Code, from prosecuting or asserting any such discharged Claim or Cause of Action against, or terminated Interest in, the Debtors.**

**Except as otherwise expressly provided in the Plan, all persons or entities who have held, hold or may hold Claims, Causes of Action or Interests and all other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, representatives and Affiliates, are permanently enjoined, from and after the Effective Date, from (i) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim (including, without limitation, a Section 510(b) Claim), Cause of Action or Interest against the Debtors, the Post-Effective Date Debtors or property of any Debtors or Post-Effective Date Debtors, other than to enforce any right to a distribution pursuant to the Plan, (ii) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree or order against the Debtors, the Post-Effective Date Debtors or property of any Debtors or Post-Effective Date Debtors, other than to enforce any right to a distribution pursuant to the Plan, (iii) creating, perfecting or enforcing any Lien or encumbrance of any kind against the Debtors or Post-Effective Date Debtors or against the property or interests in property of the Debtors or Post-Effective Date Debtors other than to enforce any right to a**

distribution pursuant to the Plan or (iv) asserting any right of set-off, subrogation or recoupment of any kind against any obligation due from the Debtors or Post-Effective Date Debtors or against the property or interests in property of the Debtors or Post-Effective Date Debtors, with respect to any such Claim, Cause of Action or Interest. Such injunction shall extend to any successors or assignees of the Debtors and Post-Effective Date Debtors and their respective properties and interest in properties.

#### **Section 11.6. Term of Injunction or Stays**

Unless otherwise provided herein, any injunction or stay arising under or entered during the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code or otherwise that is in existence on the Confirmation Date shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay.

#### **Section 11.7. Exculpation**

Pursuant to the Plan and to the maximum extent permitted by applicable law, none of the Exculpated Parties shall have or incur any liability to any holder of a Claim, Cause of Action or Interest for any act or omission in connection with, related to or arising out of, the Chapter 11 Cases, the negotiation of any settlement or, agreement, contract, instrument, release or document created or entered into in connection with the Plan or in the Chapter 11 Cases (including the DIP Facility and documents related thereto), the pursuit of confirmation of the Plan, the consummation of the Plan, the preparation and distribution of the Disclosure Statement, the offer, issuance and distribution of any securities issued or to be issued pursuant to the Plan, any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors or the administration of the Plan or the property to be distributed under the Plan, except for any act or omission that is determined in a final order to have constituted willful misconduct or gross negligence. Each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Plan.

#### **Section 11.8. Release by the Debtors**

Pursuant to section 1123(b) of the Bankruptcy Code, to the maximum extent permitted by applicable law, and except as otherwise specifically provided in the Plan, on and after the Effective Date, in exchange for their cooperation, the Released Parties shall be deemed released and discharged by the Debtors, the Post-Effective Date Debtors and their Estates from any and all Claims, obligations, debts, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of the Debtors, their Estates and/or the Post-Effective Date Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that the Debtors, the Post-Effective Date Debtors, their estates or their affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other entity or that any holder of a Claim or Interest or other entity would have been legally entitled to assert for

or on behalf of the Debtors, their estates or the Post-Effective Date Debtors, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Post-Effective Date Debtors, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Post-Effective Date Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party excluding any assumed executory contract or lease, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Disclosure Statement, the related Plan Supplement, or related agreements, instruments or other documents, or upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct or gross negligence; *provided, however*, that if any Released Party directly or indirectly brings or asserts any Claim or Cause of Action in any way arising out of or related to any document or transaction that was in existence prior to the Effective Date against the Debtors, the Post-Effective Date Debtors or any of their respective Affiliates, officers, directors, members, employees, advisors, actuaries, attorneys, financial advisors, investment bankers, professionals or agents, then the release set forth in this Section 11.8 (but not any release or indemnification or any other rights or claims granted under any other section of the Plan or under any other document or agreement) shall automatically and retroactively be null and void *ab initio* with respect to such Released Party bringing or asserting such Claim or Cause of Action; *provided, further* that the immediately preceding clause shall not apply to any action by a Released Party in the Bankruptcy Court (or any other court determined to have competent jurisdiction), including any appeal therefrom, to (i) enforce such Released Party's rights against the Debtors and/or the Post-Effective Date Debtors under the Plan, the Confirmation Order, any postpetition or assumed contract, or (ii) prosecute the amount, priority or secured status of any prepetition or ordinary course administrative Claim against the Debtors, in each case, however, the Debtors shall retain all defenses related to such action.

#### **Section 11.9. Voluntary Releases by the Holders of Claims and Interests**

Except as otherwise specifically provided in the Plan, for good and valuable consideration, on and after the Effective Date, to the maximum extent permitted by applicable law, holders of Claims that (a) vote to accept the Plan or (b) vote to reject the Plan and affirmatively elect (as permitted on the Ballots) to provide the releases contained in this paragraph shall be deemed to have conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged the Debtors, the Post-Effective Date Debtors and the Released Parties from any and all claims, equity interests, obligations, debts, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of the Debtors, their estates and/or the Post-Effective Date Debtors, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that such entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Post-Effective Date Debtors, the restructuring, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale

of any security of the Debtors or the Post-Effective Date Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party excluding any assumed executory contract or lease, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Disclosure Statement, the related Plan Supplement or related agreements, instruments or other documents, or upon any other act or omission, transaction, agreement, event, or other occurrence related to the Debtors taking place on or before the Effective Date other than claims or liabilities arising out of or relating to any act or omission of a Released Party that is determined in a Final Order to have constituted willful misconduct or gross negligence and excluding, for the avoidance of doubt, any Claim that is the subject of a Proof of Claim, a timely filed Administrative Claim or any Administrative Claim for which no filing is required; *provided* that (i) any holder of a Claim that votes to reject the Plan and does not affirmatively elect to provide the releases contained in this paragraph shall not receive the benefit of the releases set forth in this paragraph (even if for any reason otherwise entitled) and (ii) nothing contained in this Section 11.9 shall limit the releases provided in Section 11.8.

#### **Section 11.10. Bankruptcy Court Jurisdiction to Evaluate Scope of Release and Exculpation and Related Injunction**

Following entry of the Confirmation Order, the Bankruptcy Court shall retain exclusive jurisdiction to consider any and all Claims or Causes of Action subject to the exculpations and releases in Section 11.7, Section 11.8 or Section 11.9 for the purpose of determining whether such claims belong to the Debtors' Estates or third parties and all parties shall be enjoined from pursuing any such Claims or Causes of Action prior to the Bankruptcy Court making such determination. In the event it is determined that any such Claims or Causes of Action belong to third parties, then, subject to any applicable subject matter jurisdiction limitations, the Bankruptcy Court shall have exclusive jurisdiction with respect to any such litigation, subject to any determination by the Bankruptcy Court to abstain and consider whether such litigation should more appropriately proceed in another forum. Except as otherwise provided in the Plan and to the maximum extent permitted by law, all entities who have held, hold or may hold Claims, Interests, Causes of Action or liabilities that (1) have been released pursuant to Section 11.8, (2) have been released pursuant to Section 11.9 or (3) are subject to exculpation pursuant to Section 11.7 (such Claims, Interests, Causes of Action or liabilities described in clauses (1) to (3), the "Enjoined Causes of Action") are permanently enjoined and precluded, from and after the Effective Date, from commencing or continuing in any manner any such Enjoined Causes of Action against, as applicable, any Released Party or Exculpated Party, including, with respect thereto, (i) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree or order against the Exculpated Parties or the Released Parties (or property of any Exculpated Party or Released Party), (ii) creating, perfecting or enforcing any Lien or encumbrance of any kind against the Exculpated Parties or the Released Parties or against the property or interests in property of the Exculpated Parties or the Released Parties, or (iii) asserting any right of set-off, subrogation or recoupment of any kind against any obligation due from the Exculpated Parties or the Released Parties or against the property or interests in property of the

**Exculpated Parties or the Released Parties, with respect to any such Claim, Cause of Action or Interest. Such injunction of the Enjoined Causes of Action shall, to the maximum extent permitted by law, extend to any successors or assignees of the Exculpated Parties or the Released Parties and their respective properties and interest in properties.**

**Section 11.11. Set-off and Recoupment**

The Debtors and Post-Effective Date Debtors may, but shall not be required to, set-off or recoup against any Claim and any distribution to be made on account of such Claim, any and all claims, rights, and Causes of Action of any nature that the Debtors may have against the holder of such Claim pursuant to the Bankruptcy Code or applicable non-bankruptcy law; *provided, however,* that neither the failure to effect such a set-off or recoupment nor the allowance of any Claim hereunder shall constitute a waiver, abandonment or release by the Debtors or the Post-Effective Date Debtors of any such claims, rights, and Causes of Action that the Debtors or the Post-Effective Date Debtors may have against the holder of such Claim.

**Section 11.12. Preservation of Causes of Action**

(a) Except as expressly provided in Section 11.8 or Section 11.13, nothing contained in the Plan or the Confirmation Order shall be deemed to be a waiver or relinquishment of any rights or Causes of Action that the Debtors or the Post-Effective Date Debtors may have or that the Post-Effective Date Debtors may choose to assert on behalf of their respective Estates under any provision of the Bankruptcy Code or any applicable non-bankruptcy law, including, without limitation, (i) any and all Causes of Action or Claims against any person or entity, to the extent such person or entity asserts a crossclaim, counterclaim, and/or claim for set-off that seeks affirmative relief against the Debtors, the Post-Effective Date Debtors, their officers, directors or representatives or (ii) the turnover of any property of the Debtors' Estates. A non-exclusive list of retained Causes of Action will be listed in Schedule 11.12 of the Plan Supplement.

(b) Except as set forth in this Article 11, nothing contained in the Plan or the Confirmation Order shall be deemed to be a waiver or relinquishment of any rights or Causes of Action that the Debtors had immediately prior to the Commencement Date or the Effective Date against or with respect to any Claim left Unimpaired by the Plan. The Post-Effective Date Debtors shall have, retain, reserve, and be entitled to assert all such rights and Causes of Action as fully as if the Chapter 11 Cases had not been commenced, and all of the Post-Effective Date Debtors' legal and equitable rights respecting any Claim left Unimpaired by the Plan may be asserted after the Confirmation Date to the same extent as if the Chapter 11 Cases had not been commenced.

(c) Except as set forth in this Article 11, nothing contained in the Plan or the Confirmation Order shall be deemed to release any post-Effective Date obligations of any party under the Plan, or any document, instrument or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

**Section 11.13. Release of Certain Avoidance Actions**

On the Effective Date, the Post-Effective Date Debtors shall be deemed to waive and release all Avoidance Actions pursuant to section 547 of the Bankruptcy Code unless such

Avoidance Action is listed on Schedule 11.12 to the Plan Supplement; *provided* that, except as expressly provided in this Article 11 or the Confirmation Order, the Post-Effective Date Debtors shall retain the right to assert any Claims assertable in any Avoidance Action as defenses or counterclaims in any Cause of Action brought by any Creditor. The Post-Effective Date Debtors shall retain the right, after the Effective Date, to prosecute any of the Avoidance Actions listed on Schedule 11.12 to the Plan Supplement.

## **ARTICLE 12**

### **CONDITIONS PRECEDENT TO EFFECTIVENESS OF THE PLAN**

#### **Section 12.1. Conditions to Effectiveness**

The following are conditions precedent to the occurrence of the Effective Date, each of which must be satisfied or waived in accordance with Section 12.2 of the Plan:

- (a) The Confirmation Order, in form and substance acceptable to the Debtors and the Creditors' Committee shall have been entered, and no stay thereof shall be in effect;
- (b) All actions, documents, and agreements necessary to implement the Plan shall have been effected or executed as determined by the Debtors and the Creditors' Committee, each in their sole and absolute discretion;
- (c) The Debtors shall have received any authorizations, consents, regulatory approvals, rulings, letters, no-action letters, opinions, or documents that are necessary to implement the Plan and that are required by law, regulation, or order;
- (d) The Amended Certificate of Incorporation, in form and substance reasonably acceptable to the Debtors and the Creditors' Committee, will be in full force and effect as of the Effective Date; and
- (e) The Plan Documents shall have been executed and delivered by all of the parties thereto.

#### **Section 12.2. Waiver of Conditions to Effectiveness**

The Debtors, with the consent of the Creditors' Committee, as applicable, may waive any of the conditions set forth in Section 12.1 at any time, without any notice to other parties-in-interest or the Bankruptcy Court and without any formal action other than proceeding to confirm and/or consummate the Plan. The failure to satisfy any condition prior to the Confirmation Date or the Effective Date may be asserted by the Debtors as a reason not to seek Confirmation or declare an Effective Date, regardless of the circumstances giving rise to the failure of such condition to be satisfied (including any action or inaction by the Debtors, in their sole discretion). The failure of the Debtors, in their sole discretion, to exercise any of the foregoing rights shall not be deemed a waiver of any other rights and each such right shall be deemed an ongoing right, which may be asserted at any time.



**ARTICLE 13**  
**MODIFICATION, REVOCATION OR WITHDRAWAL OF THE PLAN**

**Section 13.1. Plan Modifications**

(a) Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, and those restrictions on modifications set forth in the Plan, the Debtors, with the consent of the Creditors' Committee (which consent shall not be unreasonably withheld), may alter, amend or modify the Plan, without additional disclosure pursuant to section 1125 of the Bankruptcy Code. After the Confirmation Date and prior to substantial consummation of the Plan, the Debtors may institute proceedings in the Bankruptcy Court pursuant to section 1127(b) of the Bankruptcy Code to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order with respect to such matters as may be necessary to carry out the purposes and effects of the Plan.

(b) Prior to the Effective Date, the Debtors, with the consent of the Creditors' Committee (which consent shall not be unreasonably withheld), may make appropriate technical adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court, *provided* that such technical adjustments and modifications do not materially and adversely affect the treatment of holders of Claims or Interests.

**Section 13.2. Revocation or Withdrawal of the Plan and Effects of Non-Occurrence of Confirmation or Effective Date**

The Debtors, with the consent of the Creditors' Committee (which consent shall not be unreasonably withheld), reserve the right to revoke, withdraw, or delay consideration of the Plan prior to the Confirmation Date, either entirely or with respect to any one or more of the Debtors, and to file subsequent amended plans of reorganization. If the Plan is revoked, withdrawn, or delayed with respect to fewer than all of the Debtors, such revocation, withdrawal, or delay shall not affect the enforceability of the Plan as it relates to the Debtors for which the Plan is not revoked, withdrawn, or delayed. If the Debtors revoke or withdraw the Plan in its entirety, if Confirmation does not occur, or if the Effective Date does not occur (i) on or prior to 60 calendar days after the Confirmation Date or (ii) with the consent of the Creditors' Committee, on or prior to 120 days after the Confirmation Date, and the Debtors file a notice of revocation on the Bankruptcy Court's docket, then, absent further order of the Bankruptcy Court (a) the Plan shall be null and void in all respects, (b) any settlement or compromise not previously approved by Final Order of the Bankruptcy Court embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Interest or Class of Claims or Interests), assumption or rejection of executory contracts or leases effected by the Plan and any document or agreement executed pursuant hereto, shall be deemed null and void, and (c) nothing contained in the Plan shall (1) constitute a waiver or release of any Claims by or against, or any Interests in, such Debtors or any other Person, (2) prejudice in any manner the rights of such Debtors or any other Person or (3) constitute an admission of any sort by the Debtors or any other Person.

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting executory contracts or unexpired leases.

**ARTICLE 14**  
**RETENTION OF JURISDICTION BY THE BANKRUPTCY COURT**

On and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction, to the fullest extent permissible under law, over all matters arising out of and related to the Chapter 11 Cases for, among other things, the following purposes:

(a) To hear and determine all matters with respect to the assumption or rejection of executory contracts or unexpired leases and the allowance of Cure amounts and Claims resulting therefrom;

(b) To hear and determine any motion, adversary proceeding, application, contested matter, or other litigated matter pending on or commenced after the Confirmation Date;

(c) To hear and determine all matters with respect to the allowance, disallowance, liquidation, classification, priority, or estimation of any Claim;

(d) To ensure that distributions to holders of Allowed Claims are accomplished as provided herein;

(e) To hear and determine all applications for compensation and reimbursement of Professional Fee Claims;

(f) To hear and determine all matters with respect to the Merger;

(g) To hear and determine all matters with respect to the Plan Consolidation;

(h) To hear and determine any application to modify the Plan in accordance with section 1127 of the Bankruptcy Code, to remedy any defect or omission, or reconcile any inconsistency in the Plan, the Disclosure Statement, or any order of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

(i) To hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan, the Confirmation Order, any transactions or payments contemplated hereby, or any agreement, instrument, or other document governing or relating to any of the foregoing;

(j) To hear and determine disputes arising in connection with Section 11.10 of the Plan;

(k) To issue injunctions, enter and implement other orders, and take such other actions as may be necessary or appropriate to restrain interference by any person with the

consummation, implementation, or enforcement of the Plan, the Confirmation Order, or any other order of the Bankruptcy Court;

(l) To issue such orders as may be necessary to construe, enforce, implement, execute, and consummate the Plan;

(m) To enter, implement, or enforce such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

(n) To hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code (including the expedited determination of tax under section 505(b) of the Bankruptcy Code);

(o) To hear and determine any other matters related to the Plan and not inconsistent with the Bankruptcy Code;

(p) To determine any other matters that may arise in connection with or are related to the Plan, the Disclosure Statement, the Approval Order, the Confirmation Order, any of the Plan Documents, or any other contract, instrument, release, or other agreement or document related to the Plan, the Disclosure Statement, or the Plan Supplement;

(q) To recover all assets of the Debtors and property of the Debtors' Estates, which shall be for the benefit of the Post-Effective Date Debtors, wherever located;

(r) To hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge;

(s) To hear and determine any rights, Claims, or Causes of Action held by or accruing to the Debtors or the Post-Effective Date Debtors pursuant to the Bankruptcy Code or pursuant to any federal or state statute or legal theory, which shall be for the benefit of the Post-Effective Date Debtors;

(t) To enforce all orders, judgments, injunctions, releases, exculpations, indemnifications, and rulings entered in connection with the Chapter 11 Cases with respect to any Person;

(u) To hear any other matter not inconsistent with the Bankruptcy Code; and

(v) To enter a final decree closing the Chapter 11 Cases.

Unless otherwise specifically provided herein or in a prior order of the Bankruptcy Court, the Bankruptcy Court shall have exclusive jurisdiction to hear and determine disputes concerning Claims.

**ARTICLE 15**  
**MISCELLANEOUS**

**Section 15.1. Effectuating Documents; Further Transactions; Timing.**

The Debtors and the Post-Effective Date Debtors shall be authorized to execute, deliver, file, or record such contracts, instruments, releases, and other agreements or documents, and to take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. All transactions required to occur on the Effective Date under the terms of the Plan shall be deemed to have occurred simultaneously.

**Section 15.2. Exemption from Transfer Taxes and Recording Fees**

Pursuant to section 1146(a) of the Bankruptcy Code, the issuance, Transfer or exchange of equity securities under the Plan, the creation, the filing or recording of any mortgage, deed of trust or other security interest, the making, assignment, filing or recording of any lease or sublease, the transfer of title to or ownership of any of the Debtors' interests in any property, including Aircraft Equipment, or the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, including, without limitation, the Plan Documents, the New Common Stock, and any agreements of consolidation, deeds, bills of sale or assignments executed in connection with any of the transactions contemplated under the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, FAA filing or recording fee, or other similar tax or governmental assessment in the United States. The Confirmation Order shall direct the appropriate federal, state, or local governmental officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

**Section 15.3. Expedited Tax Determination**

The Post-Effective Date Debtors may request an expedited determination of taxes under section 505(b) of the Bankruptcy Code for all returns filed for or on behalf of such Debtors or Post-Effective Date Debtors for all taxable periods ending on or before the Effective Date.

**Section 15.4. Modification of Payment Terms**

The Post-Effective Date Debtors may modify the treatment of any Allowed Claim or Interest in any manner adverse only to the holder of such Claim or Interest at any time after the Effective Date upon the prior written consent of the Person whose Allowed Claim or Interest treatment is being adversely affected.

**Section 15.5. Insurance**

The Debtors are authorized to use (a) any discount or credit with respect to the Debtors' current director and officer liability insurance policy that is available solely for the purchase of a directors and officers "tail" liability insurance policy (a "Tail Policy"), (b) incremental funds

(including any accrued but unpaid or foregone directors' fees) other than from or otherwise attributable to the Debtors and (c) funds of the Debtors, in each case, for the purchase of a Tail Policy with respect to the period on and after the Effective Date.

**Section 15.6. Payment of Statutory Fees**

All fees payable pursuant to section 1930(a) of title 28 of the United States Code and/or section 3717 of title 31 of the United States Code, as determined by the Bankruptcy Court, shall be paid for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

**Section 15.7. Notice of Confirmation**

As soon as practicable following the Effective Date of the Plan, the Post-Effective Date Debtors shall file and serve a notice of the entry of the Confirmation Order in the manner required under Bankruptcy Rule 2002(f). The notice shall further identify the Effective Date and shall set forth the Administrative Claim Bar Date, the Rejection Claims Bar Date, and any other deadlines that may be established under the Plan or the Confirmation Order.

**Section 15.8. Plan Supplement**

The Plan Supplement shall include certain documents relating to the Plan and its consummation and implementation, including the form of the Amended Certificate of Incorporation, the Amended Bylaws, a list of the Management Agreements, the Management Equity Plan, the Stockholders Agreement, the identity of the Reorganized Board and the initial Chair of the Reorganized Board, Schedule 9.1 described in Article 9, and Schedule 11.12 described in Section 11.12, each of which must be in form and substance reasonably acceptable to the Creditors' Committee. The Plan Supplement shall be filed with the Clerk of the Bankruptcy Court no later than ten (10) days prior to the Voting Deadline. Upon its filing with the Bankruptcy Court, the Plan Supplement may be inspected in the office of the Clerk of the Bankruptcy Court during normal court hours. Holders of Claims or Interests may also obtain a copy of the Plan Supplement on the Debtors' Case Information Website (located at <https://cases.primeclerk.com/rjet/>) or the Bankruptcy Court's website (located at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov)).

**Section 15.9. Claims Against Other Debtors**

Nothing in the Plan or the Disclosure Statement or any document or pleading filed in connection therewith shall constitute or be deemed to constitute an admission that any of the Debtors are subject to or liable for any Claim against any other Debtor.

**Section 15.10. Substantial Consummation**

On the Effective Date, the Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

### **Section 15.11. Section 1125 of the Bankruptcy Code**

As of and subject to the occurrence of the Confirmation Date: (a) the Debtors shall be deemed to have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including, without limitation, sections 1125(a) and 1125(e) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation and (b) the Debtors and each of their respective Affiliates, agents, directors, officers, employees, advisors, and attorneys shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of any securities under the Plan and, therefore, are not, and on account of such offer, issuance, and solicitation will not be, liable at any time for any violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or the offer and issuance of any securities under the Plan.

### **Section 15.12. Severability**

In the event that any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Debtors, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

### **Section 15.13. Governing Law**

Except to the extent that the Bankruptcy Code, Bankruptcy Rules, or other federal law is applicable, or to the extent an exhibit hereto or a schedule or Plan Document provide otherwise, the rights, duties, and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, excluding conflict of law provisions that would give rise to a choice of law other than the laws of the State of New York.

### **Section 15.14. Binding Effect**

The Plan shall be binding upon and inure to the benefit of the Debtors, the Post-Effective Date Debtors, all present and former holders of Claims or Interests and their respective heirs, executors, administrators, successors, and assigns.

### **Section 15.15. Notices**

To be effective, any notice, request, or demand to or upon, as applicable, the Debtors, the Creditors' Committee, or the United States Trustee must be in writing and, unless otherwise

expressly provided herein, shall be deemed to have been duly given or made when actually received and confirmed by the relevant party as follows:

If to the Debtors or the Post-Effective Date Debtors:

Reorganized RAH  
8909 Purdue Road, Suite 300  
Indianapolis, IN 46268  
Email: legal@rjet.com  
Attention: Ethan Blank

with a copy to:

Zirinsky Law Partners PLLC  
375 Park Avenue, Suite 2607  
New York, New York 10152  
Attn: Bruce R. Zirinsky, Esq., Sharon J. Richardson, Esq., and Gary D. Ticoll, Esq.  
bzirinsky@zirinskylaw.com  
srichardson@zirinskylaw.com  
gticoll@zirinskylaw.com

-and-

Hughes Hubbard & Reed LLP  
One Battery Park Plaza  
New York, New York 10004  
Attn: Christopher K. Kiplok Esq. and John K. Hoyns, Esq.  
chris.kiplok@hugheshubbard.com  
john.hoyns@hugheshubbard.com

If to the Creditors' Committee:

Morrison & Foerster LLP  
250 W 55<sup>th</sup> Street  
New York, New York 10019  
Attn: Brett H. Miller, Esq., Todd Goren, Esq. and Erica J. Richards, Esq.  
Telephone: (212) 468-8000  
Facsimile: (212) 468-7900  
bmiller@mofocom  
tgoren@mofocom  
erichards@mofocom

If to the United States Trustee:

Office of the United States Trustee  
201 Varick Street, Suite 1006

New York, New York 10014  
Attn: Brian Masumoto, Esq.

**Section 15.16. Reservation of Rights**

Except as expressly set forth herein, the Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. Prior to the Effective Date, none of the filing of the Plan, any statement or provision contained herein, or the taking of any action by the Debtors with respect to the Plan shall be or shall be deemed to be an admission or waiver of any rights of the Debtors of any kind, including with respect to the holders of Claims or Interests or as to any treatment or classification of any contract or lease.

**Section 15.17. Further Assurances**

The Debtors, Post-Effective Date Debtors, and all holders of Claims receiving distributions hereunder and all other parties in interest may and shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

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Dated: December 19, 2016

Respectfully submitted,

REPUBLIC AIRWAYS HOLDINGS INC.

By: Bryan K. Bedford  
Name: Bryan K. Bedford  
Title: Chairman, President, and Chief  
Executive Officer

SHUTTLE AMERICA CORPORATION

By: Bryan K. Bedford  
Name: Bryan K. Bedford  
Title: Chairman, President, and Chief  
Executive Officer

REPUBLIC AIRWAYS SERVICES, INC.

By: Bryan K. Bedford  
Name: Bryan K. Bedford  
Title: Chairman, President, and Chief  
Executive Officer

REPUBLIC AIRLINE INC.

By: Bryan K. Bedford  
Name: Bryan K. Bedford  
Title: Chairman, President, and Chief  
Executive Officer

SKYWAY AIRLINES, INC.

By: Bryan K. Bedford  
Name: Bryan K. Bedford  
Title: Chairman

MIDWEST AIRLINES, INC.

By: Bryan K. Bedford  
Name: Bryan K. Bedford  
Title: Chairman

MIDWEST AIR GROUP, INC.

By: Bryan K. Bedford  
Name: Bryan K. Bedford  
Title: Chairman

**SCHEDULE 4.3**

**REINSTATED AIRCRAFT SECURED CLAIMS**

<b>Creditor(s)</b>	<b>F.A.A. Reg. No(s)</b>	<b>Section 1110 Agreement</b>
Norddeutsche Landesbank Girozentrale, as Lender  Wilmington Trust Company, as Security Trustee	N823MD, N824MD, N123HQ,	Stipulation and Order Approving Section 1110 Extension for N823MD, N824MD and N123HQ [ECF No. 1072]
FMS Wertmanagement AöR, as Lender  Wells Fargo Bank Northwest, National Association, as Security Trustee	N104HQ, N105HQ, N106HQ, N107HQ, N108HQ	Stipulation and Order Approving Section 1110 Extension for N104HQ, N105HQ, N106HQ, N107HQ AND N108HQ [ECF No. 1130]
Norddeutsche Landesbank Girozentrale, as Senior Lender  Wilmington Trust Company, as Security Trustee  Natixis, as Junior Lender	N122HQ, N815MD, N818MD, N873RW, N874RW	Stipulation and Order Approving Section 1110 Extension for N122HQ, N815MD, N818MD, N873RW and N874RW [ECF No. 1071]
Wells Fargo Bank Northwest, National Association, as Security Trustee  Landesbank Hessen-Thuringen Girozentrale (Helaba), as Senior Lender  Natixis, as Junior Lender	N857RW, N858RW	Stipulation and Order Approving Section 1110 Extension for N857RW and N858RW [ECF No. 988]
Wells Fargo Bank Northwest, N.A., as Security Trustee  Landesbank Baden-Württemberg, as Lender and Facility Agent	N644RW, N645RW, N979RP	Stipulation and Order Approving Section 1110 Extension for N644RW, N645RW, and N979RP [ECF No. 987]

Creditor(s)	F.A.A. Reg. No(s)	Section 1110 Agreement
Wells Fargo Bank Northwest, N.A., as Security Trustee  Landesbank Baden-Württemberg, as Lender and Facility Agent  Natixis, as Junior Lender	N859RW, N861RW, N862RW, N863RW	Stipulation and Order Approving Section 1110 Extension for N859RW, N861RW, N862RW and N863RW [ECF No. 986]
RPAK 2015-1 Aircraft Loan Trust, as Lender  Wells Fargo Bank Northwest, National Association, as Security Trustee  DVB Bank AG, as Lender for N632RW, N634RW, N635RW, N636RW, N637RW, and N643RW  Natixis, as Lender for N631RW, N633RW, N112HQ, N114HQ, N116HQ, N118HQ, N120HQ, N632RW, N634RW, N635RW, N636RW, N637RW, and N643RW	N631RW, N633RW, N654RW, N112HQ, N114HQ, N116HQ, N118HQ, N120HQ, N632RW, N634RW, N635RW, N636RW, N637RW, N643RW	Stipulation and Order Approving Section 1110 Extension for N631RW, N633RW, N654RW, N112HQ, N114HQ, N116HQ, N118HQ, N120HQ, N632RW, N634RW, N635RW, N636RW, N637RW, and N643RW [ECF No. 985]
Santander UK PLC, as Lender for N856RW  Santander Asset Finance PLC, as Lender for N656RW  Bank of Scotland plc, as Lender for N856RW  Manufacturers and Traders Trust Company, as Security Trustee for N856RW  Wells Fargo Bank Northwest, National Association, as Security Trustee for N656RW	N856RW, N656RW	Stipulation and Order Approving Section 1110 Extension for N856RW and N656RW [ECF No. 969]

Creditor(s)	F.A.A. Reg. No(s)	Section 1110 Agreement
International Transport Finance Suisse AG (DVB), as Lender  Deutsche Bank AG London Branch, as Lender  PCAM Issuance II S.A. acting on behalf of its compartment RV_AFL_001, as Lender  Manufacturers & Traders Trust Co., as Security Trustee	N646RW, N651RW, N652RW, N653RW, N860RW, N855RW	Stipulation and Order Approving Section 1110 Extension for N646RW, N651RW, N652RW, N653RW, N860RW and N855RW [ECF No. 954]
DVB Bank SE, as Lender  Wells Fargo Bank Northwest, National Association, as Security Trustee	N868RW	Stipulation and Order Approving Section 1110 Extension for N868RW [ECF No. 944]
PK Airfinance US, Inc., as Lender  Credit Industriel et Commercial, as Lender for N126HQ, N127HQ, N128HQ, N129HQ, N130HQ, and N132HQ  Natixis Transport Finance, as Lender for N101HQ, N102HQ, and N103HQ  Wells Fargo Bank Northwest, National Association, as Security Trustee	N101HQ, N102HQ, N103HQ, N126HQ, N127HQ, N128HQ, N129HQ, N130HQ, N132HQ	Third Amendment to Stipulation and Order Approving Section 1110(b) Extension for GECAS Leased and Financed Aircraft [ECF No. 933]  Supplement to Stipulation and Order Approving Section 1110(b) Extension by Natixis for GECAS Leased and Financed Aircraft [ECF No. 964]
Dougherty Equipment Finance, LLC, as Lender  Dougherty Funding LLC, as Servicer	N136HQ	Stipulation and Order Approving Section 1110 Extension for N136HQ [ECF No. 932]

Creditor(s)	F.A.A. Reg. No(s)	Section 1110 Agreement
HSH Nordbank AG, Luxembourg Branch, as Lender  Wells Fargo Bank Northwest, NA, as Security Trustee for N657RW  Manufacturers and Traders Trust Company, as Security Trustee for N649RW and N650RW	N649RW, N650RW, N657RW	Stipulation and Order Approving Section 1110 Extension for N649RW, N650RW, and N657RW [ECF No. 877]
Deutsche Bank AG London Branch, as Lender  Wells Fargo Bank Northwest, National Association, as Security Trustee	N864RW, N865RW, N867RW, N869RW	Stipulation and Order Approving Section 1110 Extension for N864RW, N865RW, N867RW and N869RW [ECF No. 864]
Credit Agricole Corporate and Investment Bank (CALYON), as Lender for N113HQ  Credit Industriel et Commercial, New York Branch, as Lender for N115HQ  Commerzbank AG, New York Branch, as Lender for N117HQ  Deutsche Bank AG London Branch, as Lender for N119HQ and N121HQ  Wells Fargo Bank Northwest, National Association, as Security Trustee	N113HQ, N115HQ, N117HQ, N119HQ, N121HQ	Stipulation and Order Approving Section 1110 Extension for N113HQ, N115HQ, N117HQ, N119HQ and N121HQ [ECF No. 862]
Natixis, as Lender  Wilmington Trust Company, as Security Trustee	N810MD, N655RW, N202JQ, N203JQ	Stipulation and Order Approving Section 1110 Extension for N810MD, N655RW, N202JQ and N203JQ [ECF No. 861]
North American Savings Bank, F.S.B., as Lender  Dougherty Funding LLC, as Servicer	N134HQ	Stipulation and Order Approving Section 1110(b) Extension for N134HQ [ECF No. 855]

Creditor(s)	F.A.A. Reg. No(s)	Section 1110 Agreement
Dougherty Equipment Finance, LLC, as Lender Dougherty Funding LLC, as Servicer	N131HQ, N135HQ, N204JQ, N205JQ	Stipulation and Order Approving Section 1110 Extension for N131HQ, N135HQ, N204JQ and N205JQ [ECF No. 853]
Erste Abwicklungsanstalt, as Lender Wells Fargo Bank Northwest, National Association, as Security Trustee	N870RW, N871RW	Stipulation and Order Approving Section 1110 Extension for N870RW and N871RW [ECF No. 844]
MB Equipment Finance Inc., assignee of Origin Bank f/k/a Community Trust Bank, as Lender Wells Fargo Bank Northwest, National Association, as Security Trustee	N133HQ	Stipulation and Order Approving Section 1110 Extension for N133HQ [ECF No. 761]
BNP Paribas S.A. (New York Branch), as Lender Wells Fargo Bank Northwest, National Association, as Security Trustee	N124HQ, N125HQ	Stipulation and Order Approving Section 1110 Extension for N124HQ and N125HQ [ECF No. 760]
Amarillo National Bank, as Lender Wells Fargo Bank Northwest, National Association, as Security Trustee	N872RW	Stipulation and Order Approving Section 1110(b) Extension for N872RW [ECF No. 759]
Landesbank Baden Württemberg (as successor to Landesbank Sachsen Girozentrale), as Senior Lender Natixis, as Junior Lender Wilmington Trust Company, as Security Trustee	N805MD	Stipulation Regarding Section 1110 Extension for N805MD [ECF No. 1268]
Natixis, as Lender Wilmington Trust Company, as Security Trustee	N809MD	Stipulation Regarding Section 1110 Extension for N809MD [ECF No. 1270]

Creditor(s)	F.A.A. Reg. No(s)	Section 1110 Agreement
Credit Agricole Corporate and Investment Bank (CALYON), as Lender  Wells Fargo Bank Northwest, National Association, as Security Trustee	N138HQ, N201JQ	Stipulation and Order Approving Section 1110 Extension for N138HQ and N201JQ [ECF No. 854]
Banco Nacional de Desenvolvimento Economico e Social – BNDES, as Lender  Agenda Especial de Financiamento Industrial – FINAME, as Lender  Wells Fargo Bank Northwest, National Association, as Security Trustee  Bank of Utah, as the Security Trustee	N206JQ, N207JQ, N208JQ, N209JQ, N210JQ, N211JQ, N212JQ, N213JQ, N214JQ, N215JQ, N216JQ, N401YX, N402YX, N403YX, N404YX, N405YX, N406YX, N407YX, N408YX, N409YX, N410YX, N411YX, N412YX, N413YX, N414YX, N415YX, N416YX, N417YX, N418YX, N419YX, N420YX, N421YX, N422YX, N423YX, N424YX, N425YX, N426YX, N427YX, N428YX, N429YX, N430YX, N431YX, N432YX, N433YX, N434YX, N435YX, N436YX, N437YX, N438YX, N439YX, N440YX, N441YX, N442YX, N443YX, N444YX, N445YX, N446YX, N447YX, N725YX, N726YX, N732YX, N733YX, N736YX, N739YX, N740YX	Notice of Election Pursuant to 11 U.S.C. § 1110(a) With Respect to BNDES Financed Aircraft [ECF No. 374] (the “ <u>BNDES 1110 Election</u> ”) <sup>1</sup>

1. For the avoidance of doubt, any claims related to the aircraft bearing FAA Reg. Nos. N282SK, N283SK, N284SK, N285SK, N372SK, N373SK, N374SK, N375SK, N376SK, N377SK, N378SK, N379SK, N380SK, N381SK, N382SK, which were the subject to the BNDES 1110 Election and transferred to a third party pursuant to the *Order Pursuant to 11 U.S.C. §§ 363(b), 363(f) & 363(m) and Fed. R. Bankr. P. 6004 Authorizing the Debtors to Transfer Title to Certain Aircraft* [ECF No. 902], are not Reinstated Aircraft Secured Claims.

<b>Creditor(s)</b>	<b>F.A.A. Reg. No(s)</b>	<b>Section 1110 Agreement</b>
Deutsche Bank AG New York Branch  KeyBank National Association  Morgan Stanley Bank, N.A.	N/A	Notice of Election Pursuant to 11 U.S.C. § 1110(a) With Respect to Spare Parts Collateral [ECF No. 437]



**EXHIBIT B**  
**(Notice of Entry of Confirmation Order)**

**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.<sup>1</sup>** : **(Jointly Administered)**

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**NOTICE OF ENTRY OF ORDER CONFIRMING THE SECOND AMENDED JOINT  
PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE  
AND NOTICE OF DEADLINE FOR ASSERTING REJECTION DAMAGE CLAIMS**

**TO ALL CREDITORS, INTEREST HOLDERS, AND PARTIES IN INTEREST:**

**PLEASE TAKE NOTICE** that an order (the “Confirmation Order”) confirming Debtors’ Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the “Plan”) [Docket No. \_\_\_\_] was entered in the above-captioned cases by the Honorable Sean H. Lane, United States Bankruptcy Judge, and docketed by the Clerk of the Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) on [\_\_\_\_\_], 2017. Unless otherwise defined in this notice, capitalized terms used in this notice shall have the meanings ascribed to them in the Plan and the Confirmation Order.

**PLEASE TAKE FURTHER NOTICE** that the Confirmation Order and Plan establish certain deadlines by which holders of Claims must take certain actions.

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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. On January 31, 2017, Shuttle America Corporation was merged with and into Republic Airline Inc. in accordance with the *Order Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code and Bankruptcy Rule 6004 for Approval of (I) Merger of Shuttle America Corporation Into Republic Airline Inc., and (II) Surrender of the Shuttle America Corporation Air Carrier Certificate*, entered on November 28, 2016 [Docket No. 1236]. The Debtors’ employer tax identification numbers and addresses are set forth in their respective chapter 11 petitions.

**PLEASE TAKE FURTHER NOTICE** that pursuant to sections 365 and 1123 of the Bankruptcy Code, each executory contract and unexpired lease to which any Debtor is a party shall be deemed automatically rejected by the Debtors effective as of the Effective Date, except for any executory contract or unexpired lease that (i) has been assumed or rejected pursuant to an order of the Bankruptcy Court entered prior to the Effective Date, (ii) is the subject of a motion to assume or reject pending on the Effective Date, (iii) is listed on Schedule 9.1 to the Plan Supplement, or (iv) as to which a Treatment Objection has been filed and properly served by the Treatment Objection Deadline.

**PLEASE TAKE FURTHER NOTICE** that all proofs of claim with respect to Claims arising from the rejection of executory contracts or unexpired leases on the Effective Date, if any, must be filed with the Claims Agent within 30 calendar days after the Debtors serve notice of entry of the Confirmation Order (the “Rejection Bar Date”) by delivering the original executed proof of claim, in each case so as to be received on or before the Rejection Bar Date at the following address, (i) electronically via the interface provided on the website of the Debtors’ Claims Agent <http://cases.primeclerk.com/RJET/EPOC-index> (the “Electronic Filing System”), (ii) by overnight courier, hand delivery or by mailing the original executed proof of claim:

**Republic Airways Holdings Claims Processing Center**  
c/o Prime Clerk LLC  
830 3rd Avenue, 3rd Floor  
New York, NY 10022

or (iii) by hand delivery at the following address:

United States Bankruptcy Court  
Southern District of New York  
One Bowling Green, Room 534  
New York, NY 10004-1408

Proofs of claims will be deemed filed only when actually received. Proofs of claim may not be delivered by facsimile, telecopy or electronic mail transmission (other than proofs of claims filed electronically through the Electronic Filing System).

**PLEASE TAKE FURTHER NOTICE** that any Rejection Claim for which a Proof of Claim is not properly filed and served by the Rejection Bar Date shall be forever barred and shall not be enforceable against the Debtors, the Post-Effective Date Debtors, or their respective Estates or properties.

**PLEASE TAKE FURTHER NOTICE** that copies of the Confirmation Order, the Plan, and related documents are available for inspection in the office of the Clerk of the Bankruptcy Court at the Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004, or can be viewed for free at the website of the Debtors' claims agent, Prime Clerk LLC at: <https://cases.primeclerk.com/rjet> or for a fee on the Bankruptcy Court's website at: [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov). To access documents on the Bankruptcy Court's website, you will need a PACER password and login, which can be obtained at: <http://www.pacer.psc.uscourts.gov>.

**PLEASE TAKE FURTHER NOTICE** that the Plan and its provisions are binding on the Debtors, the Post-Effective Date Debtors, any entity acquiring or receiving property or a distribution under the Plan, and any holder of a Claim against or Interest in the Debtors, including all governmental entities, and such holder's successors and assigns, whether or not the Claim or Interest of such holder is impaired under the Plan or whether or not such holder has voted to accept the Plan.

Dated: [\_\_\_\_\_, 2017  
New York, New York

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