

**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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**FINAL ORDER PURSUANT TO 11 U.S.C. §§ 366 & 105(a) (i) APPROVING DEBTORS’  
PROPOSED FORM OF ADEQUATE ASSURANCE OF PAYMENT TO  
UTILITIES, (ii) ESTABLISHING PROCEDURES FOR RESOLVING  
OBJECTIONS BY UTILITY COMPANIES, AND (iii) PROHIBITING  
UTILITIES FROM ALTERING, REFUSING, OR DISCONTINUING SERVICE**

A hearing having been held on March 22, 2016 (the “Hearing”), to consider the motion, dated February 25, 2016 (the “Motion”),<sup>2</sup> of Republic Airways Holdings Inc. (“RAH”), and certain of its wholly-owned direct and indirect subsidiaries, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively with RAH, “Republic” or the “Debtors”), pursuant to sections 366 and 105(a) of title 11, United States Code (the “Bankruptcy Code”), for entry of an order (i) approving Republic’s proposed form of adequate assurance of payment to its utility companies or related third parties (the “Utility Companies”), including but not limited to, those listed on Schedule 1 hereto (the “Utility Service List”), (ii) establishing procedures for resolving objections by Utility Companies, and (iii) prohibiting Utility Companies from altering, refusing, or discontinuing service to Republic, all as more fully set forth in the

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1. The Debtors in these chapter 11 cases are the following entities: Republic Airways Services, Inc.; Shuttle America Corporation; Republic Airline Inc.; Republic Airways Holdings Inc.; Midwest Air Group, Inc.; Midwest Airlines, Inc.; and Skyway Airlines, Inc. The Debtors’ employer tax identification numbers and addresses are set forth in their respective chapter 11 petitions.
  2. Capitalized terms not otherwise herein defined shall have the meanings ascribed to them in the Motion.

Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28. U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the Motion having been provided on February 25, 2016 to (i) the Office of the United States Trustee for the Southern District of New York, (ii) the holders of the ten largest secured claims against Republic (on a consolidated basis), (iii) the holders of the forty largest unsecured claims against Republic (on a consolidated basis), (iv) the attorneys for the agents under Republic's prepetition revolving credit facilities, (v) the attorneys for Republic's Codeshare Partners, (vi) the International Brotherhood of Teamsters, (vii) the Securities and Exchange Commission, (viii) the Internal Revenue Service, (ix) the Office of the United States Attorney for the Southern District of New York, and (x) the parties identified on the Utility Service List, and it appearing that no other or further notice need be given; and a hearing having been held on March 8, 2016 to consider the relief requested in the Motion on an interim basis (the "Interim Hearing"); and the Court having entered an order granting the relief requested in the Motion on an interim basis (the "Interim Order"); and the Declaration of Bryan K. Bedford Pursuant to Local Bankruptcy Rule 1007-2 having been filed contemporaneously with the Motion (the "Bedford Declaration"); and the appearances of all interested parties having been noted in the record of the Hearing; and upon the Motion, the papers in support thereof and the responses thereto (the "Objections"), the Bedford Declaration, the record of the Hearing, the record of the Interim Hearing, and all of the proceedings heretofore had before the Court; and Waste Connections of North Carolina ("WCNC") having asserted in its Objection that it is not a "utility" within the meaning of section

366 of the Bankruptcy Code; and WCNC having been removed from the Utility Service List; and the Court having found and determined that the relief sought in the Motion is necessary to avoid immediate and irreparable harm Republic and its estates as contemplated by Fed. R. Bankr. P. 6003, and is in the best interests of Republic, its estates, creditors, and all parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted on a final basis, to the extent set forth herein; and it is further

ORDERED that any Objections to the Motion that have not been withdrawn or resolved by the Interim Order or by this Order are overruled in all respects; and it is further

ORDERED that Republic's deposit of cash in the amount of \$122,000 (the "Adequate Assurance Deposit") into a segregated interest-bearing account (the "Utility Deposit Account") for the benefit of all Utility Companies, together with Republic's ability to pay for future Utility Services in the ordinary course of business (collectively, the "Adequate Assurance") satisfies the requirements of section 366 of the Bankruptcy Code and the Utility Companies have been provided with adequate assurance of payment within the meaning of section 366 of the Bankruptcy Code; and it is further

ORDERED that each Utility Company identified on the Utility Service List is prohibited from (a) altering, refusing, or discontinuing Utility Services to Republic on the basis of the commencement of Republic's chapter 11 cases or any unpaid prepetition charges, (b) discriminating against Republic on the basis of the commencement of Republic's chapter 11 cases or any unpaid prepetition charges, or (c) requiring payment of a deposit or receipt or any other security for continued service on the basis of the commencement of Republic's chapter 11

cases or any unpaid prepetition charges, except as provided in the immediately following paragraphs; and it is further

ORDERED that, if an amount relating to postpetition Utility Services provided by a Utility Company is unpaid beyond any applicable grace period, such Utility Company may request a disbursement from the Utility Deposit Account, in no case to exceed the amount of the Utility Deposit contributed to the Utility Deposit Account for the benefit of such Utility Company, by giving notice by email to (i) the Debtors, c/o Republic Airways Holdings, Inc., 8909 Purdue Road, Suite 300, Indianapolis, Indiana 46268 (Attn: Ethan J. Blank, Esq. (ethan.blank@rjet.com)) and (ii) the proposed attorneys for the Debtors, Zirinsky Law Partners PLLC, 375 Park Avenue, Suite 2607, New York, New York 10152 (Attn: Bruce R. Zirinsky, Esq. (bzirinsky@zirinskylaw.com), Sharon J. Richardson, Esq. (srichardson@zirinskylaw.com), and Gary D. Ticoll, Esq. (gticoll@zirinskylaw.com)) and Hughes Hubbard & Reed LLP, One Battery Park Plaza, New York, New York 10004 (Attn: Christopher K. Kiplok, Esq. (chris.kiplok@hugheshubbard.com) and Gabrielle Glemann, Esq. (gabrielle.glemann@hugheshubbard.com)), in which case Republic shall cause the disbursement request to be honored on the date that is three (3) business days after the date of receipt of such Utility Company's request if the amount in question remains unpaid; and it is further

ORDERED that, except as provided herein with respect to the rights of Utility Companies to request payment of unpaid amounts related to postpetition Utility Services, the creditors of Republic shall have no interest in, or lien on, the Adequate Assurance Deposit or the Utility Deposit Account; and it is further

ORDERED that the Adequate Assurance Deposit shall be maintained until the earlier of (a) entry of an order of the Court authorizing the return of the Adequate Assurance

Deposit to Republic and (b) the effective date of a plan of reorganization (at which time the Adequate Assurance Deposit shall automatically, without further order of the Court, be returned to Republic); and it is further

ORDERED that Republic shall have the right to reduce the Adequate Assurance Deposit to the extent that any of the following occurs: (a) the Adequate Assurance Deposit includes an amount in respect of a Utility Company that Republic subsequently determines should be removed from the Utility Service List, (b) a Utility Company properly serves an Additional Assurance Request (as defined below) on the Notice Parties (as defined below) and any resolution results in such Utility Company's removal from the Utility Services List or in Republic's provision of alternate assurance to the Utility Company, or (c) any Utility Company has instead been provided with a letter of credit, cash deposit, or some other form of security acceptable to the Utility Company; and it is further

ORDERED that the following procedures (the "Adequate Assurance Procedures") for any Utility Company not satisfied with the Adequate Assurance to request additional adequate assurance (an "Additional Assurance Request") are approved in all respects, and absent compliance with the Adequate Assurance Procedures, the Utility Companies are forbidden from (a) altering, refusing, or discontinuing service to Republic on the basis of the commencement of Republic's chapter 11 cases or any unpaid prepetition charges, (b) discriminating against Republic on the basis of the commencement of Republic's chapter 11 cases or any unpaid prepetition charges, or (c) requiring additional adequate assurance of payment other than the Adequate Assurance:

- (a) If a Utility Company is not satisfied with the Adequate Assurance and seeks additional assurance of payment in the form of a deposit, letter of credit, prepayment, or otherwise, it must serve an Additional Assurance Request: (i) via email upon the Debtors, c/o Republic Airways Holdings,

Inc., 8909 Purdue Road, Suite 300, Indianapolis, Indiana 46268 (Attn: Ethan J. Blank, Esq. (ethan.blank@rjet.com)), (ii) via email upon the proposed attorneys for the Debtors, Zirinsky Law Partners PLLC, 375 Park Avenue, Suite 2607, New York, New York 10152 (Attn: Bruce R. Zirinsky, Esq. (bzirinsky@zirinskylaw.com), Sharon J. Richardson, Esq. (srichardson@zirinskylaw.com), and Gary D. Ticoll, Esq. (gticoll@zirinskylaw.com)) and Hughes Hubbard & Reed LLP, One Battery Park Plaza, New York, New York 10004 (Attn: Christopher K. Kiplok, Esq. (chris.kiplok@hugheshubbard.com) and Gabrielle Glemann, Esq. (gabrielle.glemann@hugheshubbard.com)), (iii) upon the Office of the United States Trustee for the Southern District of New York, U.S. Federal Building, 201 Varick Street, Suite 1006, New York, NY 10014 (Attn: Brian Masumoto, Esq.), (iv) upon the proposed counsel to the Official Committee of Unsecured Creditors, Morrison & Foerster LLP, 250 West 55th Street, New York, New York 10019 (Attn: Brett H. Miller, Esq. (bmiller@mfo.com), Todd M. Goren, Esq. (tgoren@mfo.com), and Erica J. Richards, Esq. (erichards@mfo.com)), and (v) counsel to the Ad Hoc Committee of Equity Holders of Republic Airways Holdings Inc., Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022 (Attn: Adam C. Harris, Esq. (adam.harris@srz.com), Lawrence V. Gelber, Esq. (lawrence.gelber@srz.com), and David M. Hillman, Esq. (david.hillman@srz.com)) (collectively, the “Notice Parties”).

- (b) Each Additional Assurance Request shall (i) be in writing, (ii) set forth the type of Utility Services and the location at which such services are provided, (iii) include a summary of Republic’s payment history relevant to the affected account(s), including any deposits and other security held by the Utility Company, (iv) set forth why the Utility Company believes the Adequate Assurance is not sufficient adequate assurance of future payment, and (v) be *actually received* by the Notice Parties within thirty (30) days after entry of the Interim Order.
- (c) Upon Republic’s timely receipt of an Additional Assurance Request at the addresses set forth above, Republic shall have the greater of (i) fourteen (14) days from the receipt of such Additional Assurance Request and (ii) thirty (30) days from the Commencement Date (collectively, the “Resolution Period”) to negotiate with such Utility Company to resolve its Additional Assurance Request.
- (d) If Republic determines that a timely received Additional Assurance Request is not reasonable and is unable to reach an alternative resolution with the Utility Company during the Resolution Period, Republic may file a motion with the Court promptly seeking a hearing to determine the adequacy of assurance of payment with respect to the particular Utility Company (the “Determination Motion”) pursuant to section 366(c)(3) of the Bankruptcy Code.

- (e) Pending resolution of any such Determination Motion, any such Utility Company shall be prohibited from altering, refusing, or discontinuing service to, or discriminating against, Republic on account of unpaid charges for prepetition services, the filing of these chapter 11 cases, or any objections to the adequacy of the Adequate Assurance.
- (f) Republic may, in its discretion, resolve any Additional Assurance Request or Determination Motion by mutual agreement with the requesting Utility Company without further order of the Court and may, in connection with any such agreement and in its discretion, provide a Utility Company with additional adequate assurance of future payment, including, but not limited to, a cash deposit, prepayment, letter of credit, or other form of security, without further order of the Court to the extent Republic believes such additional assurance is reasonable in the exercise of its business judgment.

and it is further

ORDERED that any Utility Company that fails to timely submit an Additional Assurance Request in accordance with the Adequate Assurance Procedures shall be deemed to have adequate assurance that is satisfactory to it, within the meaning of section 366 of the Bankruptcy Code, *provided, however*, that any party accepting the Adequate Assurance may seek additional adequate assurance by motion, for good cause shown, upon proper notice in accordance with the Order Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rules 1015(c), 2002(m) and 9007 Implementing Certain Notice and Case Management Procedures (Docket No. 70); and it is further

ORDERED that Republic is not required to provide any additional adequate assurance beyond what is stated in this Order; and it is further

ORDERED that Republic is authorized, in its sole discretion, to amend the Utility Service List from time to time to add any newly-identified Utility Companies to, or delete any Utility Companies from, the Utility Service List; and it is further

ORDERED that Republic shall serve a copy of this Order on newly added Utility Companies, if any; and it is further

ORDERED that this Order shall be binding on all Utility Companies providing Utility Services to Republic, regardless of when each Utility Company was added to the Utility Service List, provided that (a) Republic shall increase the amount of the Adequate Assurance Deposit by an amount equal to the cost of two (2) weeks of Utility Services provided by such additional Utility Company, calculated as provided in the Motion and (b) any such newly-identified Utility Company not on the Utility Service List shall have until the later of (i) fourteen (14) days from the date of service on the newly-identified Utility Company of the Interim Order or this Order, as applicable, and (ii) thirty (30) days from entry of the Interim Order to serve an Additional Assurance Request in compliance with the Adequate Assurance Procedures, which request must actually be received by the Notice Parties within this timeframe; and it is further

ORDERED that (i) nothing contained in this Order or in the Motion is intended to be or shall be construed as (a) an admission as to the validity or priority of any claim against Republic, (b) a waiver of Republic's or any appropriate party in interest's rights to dispute any claim, or (c) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code and (ii) any payment made pursuant to this Order is not intended to be and shall not be construed as an admission to the validity or priority of any claim or a waiver of Republic's rights to dispute such claim subsequently; and it is further

ORDERED that notwithstanding entry of this Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party; and it is further

ORDERED that the requirements of Fed. R. Bankr. P. 6003 have been satisfied; and it is further



ORDERED that the requirements of Fed. R. Bankr. P. 6004(a) are hereby waived;  
and it is further

ORDERED that pursuant to Fed. R. Bankr. P. 6004(h), the terms and conditions  
of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that this Order shall not impair or otherwise affect any action taken  
pursuant to the Interim Order; and it is further

ORDERED that Republic is authorized to take all steps necessary to carry out this  
Order; and it is further

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

Dated: New York, New York  
March 23, 2016

/s/ Sean H. Lane  
United States Bankruptcy Judge

**Schedule 1  
Utility Service List**

<b>Utility Company</b>	<b>Account Number</b>	<b>Contact Information</b>	<b>Type of Utility Service</b>	<b>Adequate Assurance Deposit</b>
Allegheny County Airport	Lease # 101368 PE020 PE063 PE075 PE911 PG018 PG019 PG021 PG041 PW011 PW021	P.O. Box 642623 Pittsburgh, PA 15264-2623	Electricity/gas/water	\$15,248.36
Deffenbaugh Disposal Service	60-0035142-3 75-0134264-9	P.O. Box 3249 Shawnee, KS 66203-0249	Waste disposal	\$318.37
Duke Energy	2132399113	P.O. Box 70516 Charlotte, NC 28272-0516	Electricity / natural gas	\$318.72
Hendricks Power Cooperative	3754800	86 N. County Rd. 500 E PO Box 309 Danville, IN 46122-0309	Electricity	\$1,595.71
Indiana Power & Lighting	1366021	P.O. Box 110 Indianapolis, IN 46206	Electricity	\$9.59
Jarsco, LLC	E-3-10 E-3-11 G-2-1-5 G-3-2-5 G-3-3-5 G-3-4-5 G-3-5-5	4300 Venture 34910 LLC Dept L-2646 Columbus, OH 43260	Electricity/gas	\$18,994.50

Utility Company	Account Number	Contact Information	Type of Utility Service	Adequate Assurance Deposit
Louisville Gas & Electric	3000-1167-0639 3000-1167-0548	P.O. Box 9001960 Louisville, KY 40290	Electricity / gas	\$5,019.22
Louisville Water Co.	1029150-8 1029156-5	P.O. Box 32460 Louisville, KY 40232-2460	Water	\$424.19
Milwaukee Water Works	376-2713.300	City of Milwaukee P.O. Box 3268 Milwaukee, WI 53201	Water	\$160.20
Piedmont Natural Gas	1.0029E+12	P.O. Box 660920 Dallas, TX 75266	Natural gas	\$134.52
Ray's Trash Service	195934	Drawer I Clayton, IN 46118	Waste removal	\$163.94
Rumpke Waste & Recycling	2000241784	10795 Hughes Road Cincinnati, OH 45251	Waste removal	\$1,763.43
Vectren Energy	02-620670378-5770788 3	P.O. Box 6248 Indianapolis, IN 46206-6248	Electricity / natural gas	\$198.85
Veolia ES Technical Solutions LLC	619410 575699 576300 567923	P.O. Box 73709 Chicago, IL 60673-7709	Waste removal	\$1,952.26
Waste Management	169-0076312-0481-6	P.O. Box 9001054 Louisville, KY 40290-1054	Waste removal	\$165.69
Waste Management – PHL	682-0204614-0068-9	P.O. Box 13648 Philadelphia, PA 19101-3648	Waste removal	\$779.76
Waste Management Inc.	488-0027083-2811-3	P.O. Box 4648 Carol Stream, IL 60197-4648	Waste removal	\$81.26

Utility Company	Account Number	Contact Information	Type of Utility Service	Adequate Assurance Deposit
Waste Management of Wisconsin	488-0204691-2811-8	P.O. Box 4648 Carol Stream, IL 60197-4648	Waste removal	\$27.89
WE Energies	1009-373-747 4030-752-815 5847-998-364	P.O. Box 90001 Milwaukee, WI 53290-0001	Electricity / gas	\$10,315.28
AT&T 831-000-0837 024	831-000-0837 024	P.O. Box 5019 Carol Stream, IL 60197-5019	Telephone	\$37,110.66
AT&T 831-000-1348 564	831-000-1348 564	P.O. Box 5019 Carol Stream, IL 60197-5019	Telephone	
AT&T 831-000-1611	831-000-1611	P.O. Box 5019 Carol Stream, IL 60197-5019	Telephone	
AT&T 8002-469-6389	8002-469-6389	P.O. Box 5019 Carol Stream, IL 60197-5019	Telephone	
AT&T 171-789-5077	171-789-5077	P.O. Box 5019 Carol Stream, IL 60197-5019	Telephone	
AT&T 314-731-3388	314-731-3388	P.O. Box 5001 Carol Stream, IL 60197-5001	Telephone Services	
AT&T 317 R05 7098	317 R05 7098	P.O. Box 8100 Aurora, IL 60507-8100	Telephone services	
AT&T 614-237-8980	614-237-8980	P.O. Box 8100 Aurora, IL 60507-8100	Telephone services	
AT & T - 281-443-6225	281-443-6225	P.O. Box 5001 Carol Stream, IL 60197-5001	Telephone services	
AT&T (816-105-1589)	816-105-1589	P.O. Box 5001 Carol Stream, IL 60197-5001	Telephone services	
AT&T (617-567-7001)	617-567-7001	P.O. Box 105068 Atlanta, GA 30348-5068	Telephone services	

<b>Utility Company</b>	<b>Account Number</b>	<b>Contact Information</b>	<b>Type of Utility Service</b>	<b>Adequate Assurance Deposit</b>
AT&T (317-484-6052)	317-484-6052	P.O. Box 5080 Carol Stream, IL 60197	Telephone services	
AT & T - 502 375 9014	502 375 9014	P.O. Box 105262 Atlanta, GA 30348-5262	Telephone services	
AT&T 336 668- 3355 001 1912	336 668-3355 001 1912	P.O. Box 105068 Atlanta, GA 30348-5262	Telephone services	
AT&T - 171 791 9562 992	171 791 9562 992	P.O. Box 5019 Carol Stream, IL 60197-4300	Wireless services	
AT&T Mobility	287250495699	PO Box 6463 Carol Stream, IL 60197-6463	Wireless services	
TW TELECOM		P.O. Box 172567 Denver, CO 80217-2567	Telephone services	\$7,096.32
CenturyLink (301404437)	303-342-3514 768B	P.O. Box 4300 Carol Stream, IL 60197-4300	Telephone services	\$124.17
Frontier Communication	928-754-1196- 060414-5 928-754-4647 010913-5	P.O. Box 20550 Rochester, NY 14602-0550	Telephone services	\$81.63
Rockefeller Group Technology Solutions	030-030154	1221 Avenue of the Americas New York, NY 10020-1095	Telephone services	\$263.08
Sprint	971599813	PO Box 8077 Lond, KY 40742	Wireless services	\$16,185.06
US Cellular	210486045	Dept 0205 Palatine, IL 60055-0205	Wireless services	\$68.64
VERIZON 215- 365-1744	215-365-1744	P.O. Box 15026 Albany, NY 12212-5026	Telephone services	\$2,676.27
VERIZON 412- 472-5282	412-472-5282	P.O. Box 15026 Albany, NY 12212-5026	Telephone services	

<b>Utility Company</b>	<b>Account Number</b>	<b>Contact Information</b>	<b>Type of Utility Service</b>	<b>Adequate Assurance Deposit</b>
Verizon 718 397 1076	718 397 1076	P.O. Box 15124 Albany, NY 12212-5124	Telephone services	
Verizon	215-492-1282 349 78Y	PO BOX 15124 ALBANY, NY 12212-5124	Wireless services	
Verizon	215-492-1349 350 63Y	PO BOX 15124 ALBANY, NY 12212-5124	Wireless services	
Verizon	412 472-0839 670 37Y	PO BOX 15124 ALBANY, NY 12212-5124	Wireless services	
Verizon	718 424 0865 243 17 9	PO BOX 15124 ALBANY, NY 12212-5124	Wireless services	
Verizon	718 424 5483 913 17 8	PO BOX 15124 ALBANY, NY 12212-5124	Wireless services	
Verizon	718-458-0490 929 17 5	PO BOX 15124 ALBANY, NY 12212-5124	Wireless services	
Verizon	718 458 0504 807 17 7	PO BOX 15124 ALBANY, NY 12212-5124	Wireless services	
Verizon	973 802-1541 349 38Y	PO BOX 15124 ALBANY, NY 12212-5124	Wireless services	