

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

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

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**ORDER 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**

A hearing having been held on March 22, 2016 (the “Hearing”), to consider the motion, dated February 25, 2016 (the “Motion”),² of Republic Airways Holdings Inc. (“RAH”), and certain of its wholly-owned direct and indirect subsidiaries, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively with RAH, “Republic” or the “Debtors”), for entry of an order pursuant to section 1110 of title 11, United States Code (the “Bankruptcy Code”), authorizing Republic to (i) enter into agreements (each, an “1110 Agreement”) to perform its respective obligations under Aircraft Agreements relating to certain aircraft, aircraft engines, propellers, appliances and spare parts (each, as defined in section 1110(a)(3)(A)(i) of the Bankruptcy Code, and collectively with all records, logs and documents relating thereto, the “Aircraft Equipment”), (ii) make payments and take actions as may be necessary to cure defaults, if any, under Aircraft Agreements that are subject to 1110

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 such terms in the Motion.

Agreements (other than defaults of a kind specified in section 365(b)(2) of the Bankruptcy Code) and to retain the protection of the automatic stay with respect to Aircraft Equipment that is subject to 1110 Agreements, (iii) enter into stipulations (each stipulation, including any exhibits or schedules thereto, an “1110(b) Stipulation”) with Aircraft Parties to extend the 60-day period set forth in section 1110(a)(2) of the Bankruptcy Code, and perform its obligations thereunder, and (iv) file redacted 1110 Election Notices (as defined in the Motion) and 1110(b) Stipulations pursuant to section 107(b) of the Bankruptcy Code and Fed. R. Bankr. P. 9018; and upon the Motion, the papers in support thereof, the responses thereto; and the appearances of all interested parties having been noted in the record of the Hearing; and the record of the Hearing; and after due deliberation; and sufficient cause appearing therefor,

IT IS HEREBY FOUND, ORDERED, ADJUDGED AND DECREED THAT:

1. Proper and adequate notice of the Motion has been given and no other notice is necessary.
2. The relief requested in the Motion is in the best interests of Republic and its estates, creditors, and all economic parties in interest, and the Motion is hereby granted as provided herein.
3. For purposes of section 1110 of the Bankruptcy Code, April 25, 2016 is the fifty-ninth day after the order for relief was entered in these chapter 11 cases (the “1110 Deadline”).
4. Republic is authorized to enter into 1110 Agreements and 1110(b) Stipulations pursuant to the procedures specified in this Order, and any objections to any 1110 Election Notice, any Cure Amount (as defined below) or to any 1110(b) Stipulation shall be

served and filed in accordance with the procedures specified in this Order, or such objections shall be barred to the extent provided herein.

**Approved Procedures For Republic's
Agreements to Perform under 11 U.S.C. § 1110(a)**

5. This Order constitutes this Court's approval of Republic's agreement under Section 1110(a) of the Bankruptcy Code with respect to each item of Aircraft Equipment that is subject to a 1110 Election Notice. Republic is hereby authorized to enter into 1110 Agreements to perform all of its obligations under certain Aircraft Agreements pursuant to section 1110(a) of the Bankruptcy Code with respect to the Aircraft Equipment identified by Republic. Republic is further authorized to make such payments arising under such Aircraft Agreements (including, without limitation, payment of rent or debt service and any other contractually required payments), and to take all such other actions, as are necessary to cure defaults, if any, under such Aircraft Agreements (other than defaults of a kind specified in section 365(b)(2) of the Bankruptcy Code, as to which defaults no cure is required), and to retain the protection of the automatic stay with respect to the applicable Aircraft Equipment to the extent provided under Section 1110 of the Bankruptcy Code.

6. If Republic wishes to make an 1110 Agreement with respect to any Aircraft Equipment, before the 1110 Deadline, Republic shall file with the Court an 1110 Election Notice pursuant to Section 1110(a) of the Bankruptcy Code, substantially in the form of Exhibit A hereto (each such notice, including any exhibits or schedules thereto, an "1110 Election Notice"), for such Aircraft Equipment and serve such 1110 Election Notice, by email, if known to Republic, and overnight mail, on (i) in the case of leased Aircraft Equipment, to the extent known to Republic, the Leased Aircraft Notice Parties and their respective counsel; (ii) in the case of owned Aircraft Equipment, to the extent known to Republic, the Owned Aircraft

Notice Parties and their respective counsel; (iii) to the extent known to Republic, the holders of any securities relating to the financing of Aircraft Equipment and their respective counsel, if applicable, (iv) counsel to the statutory committee of unsecured creditors (the "Committee"); and (v) counsel to the Ad Hoc Committee of Equity Holders of Republic Airways Holdings Inc. (the "Ad Hoc Equity Committee"). Each 1110 Election Notice shall constitute Republic's agreement to perform all obligations under the relevant Aircraft Agreement with respect to the Aircraft Equipment identified therein in accordance with section 1110 of the Bankruptcy Code. Schedule 1 to each 1110 Election Notice shall state the amount (the "Cure Amount"), if any, that Republic reasonably believes it must pay to cure any default in the payment of rent or debt service and any other amounts required to be paid under Section 1110 under the relevant Aircraft Agreement relating to the Aircraft Equipment identified in the 1110 Election Notice in order to comply with section 1110(a)(2)(B) of the Bankruptcy Code.

7. With respect to any Aircraft Agreement that is the subject of an 1110 Election Notice, Republic shall cure any default under such Aircraft Agreement (other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code, as to which no cure is required), (i) in the case of any such default that occurred before the Commencement Date, before the 1110 Deadline, or within such other time frame as may be mutually agreed to in writing by Republic and the relevant Aircraft Parties in their sole discretion, (ii) in the case of any such default that occurred after the Commencement Date and before April 25, 2016, on or before (x) the later of 30 days after the date of the default or April 25, 2016 or (y) within such other time frame as may be mutually agreed to in writing by Republic and the relevant Aircraft Parties in their respective sole discretion, and (iii) in the case of any such default that occurs on or after April 25, 2016, such default shall be cured in compliance with the terms of the Aircraft

Agreement with respect to such Aircraft Equipment, if such cure is permitted thereunder, or in such other manner as may be mutually agreed to in writing by Republic and the relevant Aircraft Parties in their respective sole discretion.

8. Any party in interest may object to an 1110 Election Notice or any Cure Amount specified therein by filing a written objection (an “1110(a) Objection”) on or before 4:00 p.m. prevailing Eastern Time on the date that is ten days after the date the applicable 1110 Election Notice is served (the “1110(a) Objection Deadline”). An 1110(a) Objection shall be considered timely only if, on or before the 1110(a) Objection Deadline, it is (i) filed with the United States Bankruptcy Court for the Southern District of New York, with a copy to Chambers, and (ii) served upon each of the following parties: (a) 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)), (b) the Office of the United States Trustee for the Southern District of New York, 201 Varick Street, Suite 1006, New York, New York 10014 (Attn: Brian Masumoto, Esq.), (c) proposed counsel to the Committee, Morrison & Foerster LLP, 250 West 55th Street, New York, New York 10019 (Attn: Brett H. Miller, Esq. (bmiller@mof.com), Todd M. Goren, Esq. (tgoren@mof.com), and Erica J. Richards, Esq. (erichards@mof.com)), (d) the Ad Hoc Equity Committee, 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)), and (e) unless it is the party who filed such objection, the relevant Aircraft Parties and their respective counsel (collectively, the “Notice Parties”).

9. Any such 1110(a) Objection must set forth with specificity (i) the party’s interest in the affected Aircraft Equipment, if any, (ii) the basis for the objection, (iii) the provision(s) of the Aircraft Agreement or any other agreement under which the objecting party contends any uncured default exists, and (iv) the amount, if any, that the objecting party asserts as the Cure Amount, if different from that specified by Republic.

10. Unless the Court orders otherwise with respect to a specific 1110 Election Notice, upon the filing of such 1110 Election Notice on or before the 1110 Deadline (or any extension of the 1110 Deadline pursuant to section 1110(b) of the Bankruptcy Code) and the timely payment of the Cure Amounts, if any, specified therein, and upon Republic promptly taking such other actions as are necessary to cure defaults, if any, under the relevant Aircraft Agreements (other than defaults of a kind specified in section 362(b)(2) of this Bankruptcy Case) by the applicable deadline under Paragraph 7 hereof, (i) all defaults in the payment of rent or debt service under the applicable Aircraft Agreement (other than defaults of a kind specified in section 365(b)(2) of the Bankruptcy Code as to which no cure is required) shall be deemed cured, (ii) the 1110 Election Notice shall be deemed effective as of the date on which such 1110 Election Notice was filed (or as otherwise provided in such 1110 Election Notice), and (iii) the 60-day period set forth in section 1110(a)(2) of the Bankruptcy Code shall be deemed to have been extended with respect to the Aircraft Equipment identified therein. If an 1110(a) Objection has been timely filed with respect to a specific item of Aircraft Equipment listed on Schedule 1 to an 1110 Election Notice and the dispute relating to such Aircraft Equipment is not resolved consensually by the parties within ten days after the date of the filing and service of such 1110(a)

Objection, Republic shall schedule a hearing on the next available hearing date (but no later than the next monthly omnibus hearing date occurring after the fifteenth (15th) day after such 1110(a) Objection is filed) to consider the 1110(a) Objection only with respect to the particular Aircraft Agreement or Aircraft Equipment identified in such 1110(a) Objection, and the filing of such 1110(a) Objection shall not delay the effectiveness of the 1110 Agreement with respect to any other Aircraft Agreement or Aircraft Equipment listed in the 1110 Election Notice for which no 1110(a) Objection is filed.

11. The 1110 Agreements and the 1110 Election Notices shall not constitute the assumption of any Aircraft Agreement under section 365 of the Bankruptcy Code (to the extent that such section is applicable) and shall in no way restrict Republic's ability to later restructure such Aircraft Agreements with the consent of the appropriate Aircraft Parties or reject or abandon the Aircraft Equipment relating to such Aircraft Agreement as otherwise permitted by applicable law; provided, however, that nothing contained in this paragraph shall abrogate or otherwise affect Republic's obligations, if any, or any Aircraft Party's rights, if any, under sections 1110(a), (b) or (c) of the Bankruptcy Code; provided, further, that nothing contained in this paragraph shall abrogate or otherwise affect an Aircraft Party's right, if any, to assert an administrative expense claim under sections 503(b) and 507 of the Bankruptcy Code as a result of Republic's breach of an 1110 Agreement, or Republic's right to object to such claim on any grounds.

12. By making an 1110 Agreement or filing an 1110 Election Notice, Republic does not waive or impair its right to argue that any Aircraft Equipment subject to an 1110 Agreement or an 1110 Election Notice is not entitled to the protection of section 1110 of the Bankruptcy Code.

13. Notwithstanding anything to the contrary herein, except to the extent specifically identified in any 1110 Election Notice, nothing herein shall affect any Leased Aircraft Notice Party's or Owned Aircraft Notice Party's rights (or any defenses thereto of Republic or any other party-in-interest) with respect to (a) as applicable, any payment of obligations relating to non-regularly scheduled payment obligations arising under any of the Aircraft Agreements or relating to any Aircraft Equipment (including, without limitation, indemnifications, expense reimbursements and non-regularly scheduled rent); (b) any obligations that arise, accrue or otherwise become due only after notice, demand, or information is provided to Republic or other person or entity; and (c) any non-monetary defaults or obligations arising under any of the Aircraft Agreements. In addition, notwithstanding section 362(a) of the Bankruptcy Code (to the extent applicable in accordance with section 1110 of the Bankruptcy Code and this Order), to the extent any obligations arising under any of the Aircraft Agreements require that notice, demand or information be provided to Republic, the Leased Aircraft Notice Parties or Owned Aircraft Notice Parties may give such notice, demand or information to Republic of any such obligations in accordance with the terms of the Aircraft Agreements.

14. The requirements of Local Bankruptcy Rule 6006-1(d) are hereby waived.

**Approved Procedures For Stipulations
Under Section 1110(b) of the Bankruptcy Code**

15. Republic is hereby authorized to enter into 1110(b) Stipulations which may be, but are not required to be, substantially in the form of Exhibit B hereto, and perform its obligations thereunder.

16. Promptly upon entering into an 1110(b) Stipulation, Republic shall file such 1110(b) Stipulation with the Court and serve notice of the filing of such 1110(b) Stipulation on each of the Notice Parties by email, if known to Republic, and overnight mail.

17. Any party in interest may object to an 1110(b) Stipulation by filing a written objection (an “1110(b) Objection”) on or before 4:00 p.m. prevailing Eastern Time on the date that is ten days after the date of the filing and service of such 1110(b) Stipulation (the “1110(b) Objection Deadline”).

18. An 1110(b) Objection shall be considered timely only if, on or before the 1110(b) Objection Deadline, it is (i) filed with the Court, with a copy to Chambers and (ii) served upon each of the Notice Parties. Any such 1110(b) Objection shall set forth with specificity the basis for the objection and the objector’s interest in the affected Aircraft Equipment.

19. Unless the Court orders otherwise, upon the execution by Republic and the applicable Aircraft Parties and filing of an 1110(b) Stipulation and the timely performance of Republic’s obligations thereunder, (i) such 1110(b) Stipulation shall be deemed to be effective as of the date on which such 1110(b) Stipulation was filed (or as otherwise provided in the 1110(b) Stipulation) and (ii) the 60-day period set forth in section 1110(a)(2) of the Bankruptcy Code shall be deemed to have been extended with respect to the Aircraft Equipment identified therein as set forth in the 1110(b) Stipulation. If an 1110(b) Objection has been timely filed and the dispute relating to such 1110(b) Objection is not consensually resolved by the parties within ten days after the date of the filing and service of such 1110(b) Objection, Republic shall schedule a hearing on the next available hearing date (but no later than the next monthly omnibus hearing date occurring after the fifteenth (15th) day after such 1110(b) Objection is filed) to consider the 1110(b) Objection.

Filing Redacted 1110(a) Election Notices and 1110(b) Stipulations

20. Due to the confidential and commercial nature of the information that will be contained in the 1110 Election Notices and 1110(b) Stipulations, including Cure Amounts and

modifications to the related Aircraft Agreements, and the commercial and competitive harm that disclosure of this information could cause to Republic, redacted copies of the 1110 Election Notices and 1110(b) Stipulations shall be filed and served pursuant to section 107(b) of the Bankruptcy Code and Fed. R. Bankr. P. 9018, except to the extent that the parties to a particular 1110(a) Election or 1110(b) Stipulation otherwise agree to not redact such filed 1110(a) Election or 1110(b) Stipulation. Notwithstanding the foregoing, the following information shall not be redacted with respect to any 1110(b) Stipulation: the FAA Registration Numbers and manufacturer serial numbers for the airframe, the serial numbers for the engines and a description and, where applicable, the manufacturer serial numbers of any other Aircraft Equipment involved.

21. Republic shall provide unredacted copies of each 1110 Election Notice and 1110(b) Stipulation to professionals for the Committee, provided, however, that such professionals for the Committee shall maintain the confidentiality of the 1110 Election Notices and 1110(b) Stipulations on a “Professionals’ Eyes Only” basis in accordance with the confidentiality agreement between Republic and advisors to the Committee dated March 10, 2016 (the “Confidentiality Agreement”), and the applicable Aircraft Party subject to the 1110 Election Notice and 1110(b) Stipulation shall be permitted to enforce the Confidentiality Agreement as if such Aircraft Party were a beneficiary of the Confidentiality Agreement with respect to the information related to such Aircraft Party.

22. Republic shall also provide the Aircraft Parties and their respective counsel that have an interest in the Aircraft Equipment that is the subject of an 1110 Election Notice or 1110(b) Stipulation, to the extent reasonably known by Republic, with an unredacted copy of the relevant 1110 Election Notice or 1110(b) Stipulation, so long as they agree (which

agreement may be set forth in an email exchanged between the applicable Aircraft Parties and Republic (or their respective counsel)) that such 1110 Election Notice or 1110(b) Stipulation shall be subject to an agreement that such 1110 Election Notice or Section 1110(b) Stipulation shall be subject to the same confidentiality restrictions as contained in the underlying Aircraft Agreements. If the underlying Aircraft Agreement with respect to any Aircraft Equipment does not contain confidentiality provisions, Republic may request that an Aircraft Party enter into a commercially reasonable confidentiality agreement with Republic regarding such Section 1110 Notice or 1110(b) Stipulation; provided, however, that any dispute regarding such matters shall be subject to resolution by this Court; provided, further, that unless Republic and a trustee or administrative agent otherwise agree, nothing in this Order shall be deemed to limit such trustee or administrative agent from communication in customary fashion with the holders of debt for which it is a trustee or administrative agent or with a controlling party, subject to the requirements of applicable law and any confidentiality provisions in the underlying Aircraft Agreements.

Additional General Provisions

23. Notwithstanding anything herein to the contrary, in addition to the parties included in the definitions of “Owned Aircraft Notice Parties”, “Leased Aircraft Notice Parties” and “Aircraft Parties”, the following parties (along with their respective counsel), to the extent reasonably known by Republic, shall be included within such definitions for all purposes under this Order: any loan participants, lenders, liquidity providers and guarantors involved in the transactions relating to such Aircraft Equipment.

24. Nothing herein shall have any effect upon (i) the right, if any, of party in these cases to adequate protection under, *inter alia*, section 361 of the Bankruptcy Code or (ii) the right of Republic or any other party in interest to object to any such request.

25. Notwithstanding any provision of the Bankruptcy Code, the Bankruptcy Rules or the Local Bankruptcy Rules to the contrary, this Order shall be effective immediately upon entry.

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

Dated: New York, New York
March 23, 2016

/s/ Sean H. Lane
United States Bankruptcy Judge

EXHIBIT A

**NOTICE OF ELECTION PURSUANT TO SECTION 1110(a) OF THE
BANKRUPTCY CODE**

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

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

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NOTICE OF ELECTION PURSUANT TO 11 U.S.C. § 1110(a)

TO: Parties Set Forth on Schedule 1

PLEASE TAKE NOTICE that 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”) hereby give notice to the parties set forth on Schedule 1 attached hereto (the “1110(a) Notice Parties”) that the Court has entered 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 (the “Order”).

PLEASE TAKE FURTHER NOTICE that, in accordance with and subject to the terms of the Order and with respect to (i) the aircraft, aircraft engines, and propellers identified by U.S. Federal Aviation Administration Number and manufacturer serial number on Schedule 1 attached hereto (the “Aircraft”) and (ii) the aircraft appliances and spare parts identified by

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.

location and, as applicable, manufacturer serial numbers (each as defined in section 1110(a)(3)(A)(i) of the Bankruptcy Code, the “Aircraft Parts”) and (iii) all records, logs and documents relating thereto (the “Aircraft Records,” and, collectively with the Aircraft and Aircraft Parts, the “Aircraft Equipment”)² that are the subject of the security agreement, lease or conditional sale contract pertaining to the Aircraft Equipment (the “Aircraft Agreement”), Republic agrees:

(a) to perform all obligations of Republic under the Aircraft Agreement with respect to the Aircraft Equipment, in each case, identified on Schedule 1; and

(b) that for any default, other than a default of a kind specified in Section 365(b)(2) of the Bankruptcy Code, under the Aircraft Agreement with respect to the Aircraft Equipment, in each case, identified on Schedule 1:

(1) that occurred before the filing of Republic’s chapter 11 cases (the “Commencement Date”), such default shall be cured before April 25, 2016 (which is the 60th day after the Commencement Date) (the “1110(a) Deadline”);

(2) that occurred or occurs after the Commencement Date and before the 1110(a) Deadline, such default shall be cured on or before the later of:

(x) the date that is 30 days after the date of the default; or

(y) the 1110(a) Deadline; and

2. Nothing herein shall be construed as an admission or concession by Republic that any 1110(a) Notice Party or any other party in interest with respect to the Aircraft Agreement or Aircraft Equipment has rights under section 1110 of the Bankruptcy Code or that any of the Aircraft Equipment is subject to section 1110 of the Bankruptcy Code, and Republic expressly reserves all rights and defenses with respect thereto.

(3) that occurs on or after the 1110(a) Deadline, such default shall be cured in compliance with the terms of the Aircraft Agreement with respect to the Aircraft Equipment, if a cure is permitted under such Aircraft Agreement.³

PLEASE TAKE FURTHER NOTICE that Schedule 1 attached hereto sets forth the amounts (the "Cure Amounts"), if any, that Republic reasonably believes that it must pay under the Aircraft Agreement in order to cure all defaults in the payment of rent or debt service and any other amounts required to be paid under Section 1110 of the Bankruptcy Code, if any, required to be cured pursuant to Section 1110(a)(2) of the Bankruptcy Code with respect to the Aircraft Equipment; provided that the Cure Amounts shall not include (i) any payment of obligations relating to non-regularly scheduled payment obligations arising under the Aircraft Agreement or relating to the Aircraft Equipment (including, without limitation, indemnifications, expense reimbursements and non-regularly scheduled rent); (ii) any obligations that arise, accrue or otherwise become due only after notice, demand or information is provided to the Debtors or other person or entity; and (iii) any non-monetary defaults or obligations arising under the Aircraft Agreement; provided, however, that nothing herein shall affect any Lease Aircraft Notice Party's or Owned Aircraft Notice Party's rights (or any defense thereto of Republic or any other party-in-interest) with respect to any subject obligations or defaults. **IF NO OBJECTION IS TIMELY FILED AND SERVED AS SET FORTH IN THE NEXT PARAGRAPH, THE 1110(a) NOTICE PARTIES SHALL BE FOREVER BARRED FROM OBJECTING TO THE CURE AMOUNTS TO THE EXTENT PROVIDED IN AND SUBJECT TO THE TERMS OF THE ORDER.**

3. Neither this 1110 Election Notice nor any agreement made hereunder shall constitute an assumption by Republic of the Aircraft Agreement under section 365 of the Bankruptcy Code (to the extent that such section is applicable), and nothing contained herein shall be construed to constitute such an assumption.

PLEASE TAKE FURTHER NOTICE that in accordance with the terms of the Order, any party in interest may object to this 1110 Election Notice or any Cure Amount stated herein by filing a written objection on or before 4:00 p.m. (prevailing Eastern Time) on _____, 2016 (the “Objection Deadline”). An objection shall be considered timely only if, on or before the Objection Deadline, it is (i) filed with the United States Bankruptcy Court for the Southern District of New York, with a copy to Chambers and (ii) served upon each of the following parties (a) 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)), (b) the Office of the United States Trustee for the Southern District of New York, 201 Varick Street, Suite 1006, New York, New York 10014 (Attn: Brian Masumoto, Esq.), (c) proposed counsel to the Committee, Morrison & Foerster LLP, 250 West 55th Street, New York, New York 10019 (Attn: Brett H. Miller, Esq. (bmiller@mof.com), Todd M. Goren, Esq. (tgoren@mof.com), and Erica J. Richards, Esq. (erichards@mof.com)), (d) the Ad Hoc Equity Committee, 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)), and (e) unless it is the party who filed such objection, the relevant Aircraft Parties and their counsel. Any such objection must set forth with specificity (1) the party’s interest in the affected Aircraft Equipment, if any, (2) the basis for the objection,

(3) the provision(s) of the Aircraft Agreement or any other agreement under which the objecting party contends any uncured default exists, and (4) the amount, if any, that the objecting party asserts as the Cure Amount, if different from that specified by Republic.

PLEASE TAKE FURTHER NOTICE that if no objection is timely filed, upon the timely payment of the Cure Amounts, if any, specified herein and upon Republic promptly taking such other actions as are necessary to cure defaults, if any, under the relevant Aircraft Agreements (other than defaults of a kind specified in section 365(b)(2) of the Bankruptcy Code) by the applicable deadline as set forth in paragraph 7 of the Order, (i) all defaults in the payment of rent or debt service under the Aircraft Agreement (other than defaults of a kind specified in section 365(b)(2) of the Bankruptcy Code as to which no cure is required) shall be deemed cured, (ii) this 1110 Election Notice shall be deemed effective as of the date upon which it is filed, (iii) the 60-day period set forth in section 1110(a)(2) of the Bankruptcy Code shall be deemed to have been extended with respect to the Aircraft Equipment, and (iv) the Bankruptcy Court has approved Republic's agreement to make 1110(a) elections for the Aircraft Equipment subject to the 1110 Election Notice.

PLEASE TAKE FURTHER NOTICE that if an objection has been timely filed with respect to a specific item of Aircraft Equipment listed on Schedule 1 hereto and the dispute relating to such Aircraft Equipment is not resolved consensually among the parties within ten days after the date of the filing and service of such objection, Republic shall schedule a hearing on the next available hearing date to consider such objection only with respect to the particular Aircraft Equipment identified in the objection, and Republic's receipt of such objection shall not delay the effectiveness of this 1110 Election Notice with respect to any other Aircraft Equipment listed on Schedule 1 for which no objection is filed.

PLEASE TAKE FURTHER NOTICE that Republic reserves the right to
withdraw and revoke this 1110 Election Notice at any time in accordance with applicable law.

Dated: New York, New York

_____, 2016

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*Proposed Attorneys for the Debtors and
Debtors in Possession*

SCHEDULE 1

1110(a) NOTICE
PARTIES

AIRCRAFT
U.S. FEDERAL AVIATION
ADMINISTRATION
REGISTRATION NUMBERS
AND SERIAL NUMBERS

CURE AMOUNTS

EXHIBIT B

STIPULATION AND ORDER APPROVING SECTION 1110(b) EXTENSION

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

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

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STIPULATION AND ORDER APPROVING SECTION 1110(b) EXTENSION

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”), and the aircraft financing parties set forth on Schedule 1 hereto (each, an “Aircraft Party” and, if more than one, collectively, the “Aircraft Parties”) hereby stipulate and agree as follows:

1. On February 25, 2016 (the “Commencement Date”), each of the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors are operating their business and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. Pursuant to certain financing arrangements with the Aircraft Parties (the “Aircraft Agreements”), the Debtors were granted the right to use (i) the aircraft, aircraft engines and propellers identified by U.S. Federal Aviation Administration numbers and manufacturer serial numbers identified on Schedule 1 hereto (the “Aircraft”) and (ii) all appliances and spare

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.

parts identified by location and, as applicable, manufacturer serial numbers (each as defined in section 1110(a)(3)(A)(i) of the Bankruptcy Code, the “Aircraft Parts”), and (iii) all records, logs and documents relating thereto (the “Aircraft Records” and, collectively with the Aircraft and the Aircraft Parts, the “Aircraft Equipment”).

3. The Aircraft Equipment may constitute “equipment” within the meaning of sections 1110(a)(3)(A)(i) and 1110(a)(3)(B) of the Bankruptcy Code. Accordingly, the Aircraft Equipment and the Aircraft Agreements may be entitled to the protections of section 1110 of the Bankruptcy Code; *provided, however*, that entry of this stipulation (together with any and all exhibits attached hereto, the “Stipulation”) shall not be deemed (a) to constitute an admission by the Debtors that the Aircraft Equipment constitutes “equipment” within the meaning of section 1110 of the Bankruptcy Code or that the Aircraft Agreements are entitled to the protections of section 1110 of the Bankruptcy Code, or (b) a waiver by the Aircraft Parties of any right to assert that the Aircraft Equipment constitutes “equipment” within the meaning of section 1110 of the Bankruptcy Code or that the Aircraft Agreements are entitled to the protections of section 1110 of the Bankruptcy Code. The Debtors and the Aircraft Parties reserve all their respective rights and defenses with respect to the foregoing.

4. Pursuant to section 1110(b) of the Bankruptcy Code, if the Aircraft Equipment constitutes “equipment” under section 1110 of the Bankruptcy Code, the Debtors have requested that the Aircraft Parties extend the 60-day period set forth in section 1110(a)(2) of the Bankruptcy Code (the “Section 1110 Period”). The Aircraft Parties have agreed to this extension of the Section 1110 Period, and the continued effectiveness of this Stipulation is subject to the following conditions:

(a) the Debtors' compliance with the terms of this Stipulation during the Extension Period (as defined below); and

(b) the Debtors' taking all actions reasonably necessary to ensure that there are no Events of Default (as defined in the Aircraft Agreements) (other than (i) Events of Default based on the failure to pay amounts due thereunder or referenced therein and not otherwise expressly required to be paid under this Stipulation, (ii) Events of Default of a kind specified in section 365(b)(2) of the Bankruptcy Code, (iii) Events of Default based on defaults under other indebtedness or lease or other obligations of any of the Debtors and not otherwise expressly required to be cured under this Stipulation, or (iv) Events of Default based on a failure to comply with financial covenants and not otherwise expressly required to be cured under this Stipulation), during the Extension Period (as defined below).

5. The Section 1110 Period is hereby extended, for all purposes, effective _____, until 11:59 p.m. (prevailing Eastern Time) on _____ or such earlier date as the Debtors and the Aircraft Parties may agree (such extension, together with any further extensions on the terms set forth below, the "Extension Period"); *provided, however*, that unless either the Debtors, on the one hand, or the Aircraft Parties, on the other hand, provide written notice of termination of the Extension Period to the other received at least 10 days prior to the expiration of the Extension Period then in effect, the Extension Period shall be extended automatically by an additional thirty-day period.

6. The Aircraft Parties party hereto represent and warrant that they have full authority under the Aircraft Agreements and related controlling documents to enter into and

perform this Stipulation and otherwise authorize the Debtors' continued use of the Aircraft Equipment.

7. In consideration of the extension, Republic shall pay to the Aircraft Parties the amounts set forth on Schedule 2 hereto on the dates set forth therein and otherwise comply with its obligations under the Aircraft Agreements as may be set forth therein. Such payments shall be made and applied in accordance with the terms of the Aircraft Agreements, shall be credited against the Debtors' obligations thereunder and shall not be subject to disgorgement. By accepting these payments, the Aircraft Parties do not waive any right to receive the full amounts due under the Aircraft Agreements, except to the extent otherwise provided in Schedule 2.

8. Notwithstanding anything in the Bankruptcy Code to the contrary, including the provisions of sections 363(e) and 365(d)(5) of the Bankruptcy Code (to the extent applicable), the Debtors shall not be obligated to make, and the Aircraft Parties shall not seek, any payments under the Aircraft Agreements or with respect to the Aircraft Equipment during the Extension Period, except as specifically provided in paragraph 7 and/or Schedule 2 of this Stipulation.

9. The parties hereby agree and acknowledge that this Stipulation does not constitute an election or, except as expressly set forth in paragraph 5 and 7 of this Stipulation, an agreement by the Debtors under section 1110(a) of the Bankruptcy Code or any other provision of the Bankruptcy Code, and nothing contained herein shall be construed as such an election or agreement. The parties also agree and acknowledge that this Stipulation does not constitute an assumption by the Debtors of the Aircraft Agreements under section 365 of the Bankruptcy Code (to the extent such section is applicable), and nothing contained herein shall be construed to

constitute such an assumption. The Aircraft Parties agree that they shall not assert in any judicial proceeding that this Stipulation constitutes either an agreement under section 1110(a) of the Bankruptcy Code or an assumption under section 365 of the Bankruptcy Code.

10. Except to the extent otherwise provided herein, this Stipulation does not limit or affect the rights, remedies, or claims of the Aircraft Parties, if any, under other provisions of the Bankruptcy Code, subject to all rights, defenses and objections of the Debtors and any other party in interest.

11. The Debtors and the Aircraft Parties agree that this Stipulation does not otherwise affect any term or provision of the Aircraft Agreements except as expressly set forth in this Stipulation, and that the parties hereto reserve all of their respective rights and remedies with respect thereto.

12. This Stipulation shall be binding upon (a) the Debtors and any trustee or examiner that may be appointed in the pending chapter 11 cases, and their respective successors and assigns, (b) the Aircraft Parties and their respective successors and assigns and (with respect to those Aircraft Parties that are trusts or trustees) trust beneficiaries who so direct or authorize the trusts or the trustee of the trusts to enter into this Stipulation, (c) the trustee in the event that the above-captioned cases are converted to cases under chapter 7 of the Bankruptcy Code, and (d) all creditors and other parties in interest in the above-captioned cases. Notwithstanding anything else contained herein, any provision of this Stipulation is binding on an Aircraft Party to the extent that such Aircraft Party is a signatory hereof or the signatories hereof have the authority under the Aircraft Agreements or otherwise to bind such Aircraft Party with respect to the subject matter of such provision.

13. This Stipulation is subject to and effective upon the final approval of the Court. The Debtors shall promptly cause this Stipulation to be presented to the Court for approval in accordance with 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, as entered on _____, 2016 (the “Order”). Upon approval, this Stipulation shall be effective as of the date it was filed with the Court.

14. This Stipulation may be executed in one or more counterparts, by facsimile, electronic transmission or otherwise, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

15. This Stipulation, together with section 1110 of the Bankruptcy Code and the Aircraft Agreements, each as modified pursuant to the terms of this Stipulation, contain the entire agreement between the Aircraft Parties and the Debtors as to the subject matter hereof, and all understandings, agreements, and communications prior to the date hereof, whether express or implied, oral or written, relating to the subject matter hereof are fully and completely extinguished and superseded by this Stipulation and the Aircraft Agreements as modified or otherwise affected hereby. In the event of any inconsistency between this Stipulation and either the Aircraft Agreements or the Order, or between this Stipulation and the Debtors’ Motion with respect to the Order, this Stipulation shall govern. This Stipulation shall not be altered, amended, modified, or otherwise changed, and the rights hereunder may not be waived, except by a writing dated subsequent to the date hereof and duly signed by each of the Aircraft Parties and the Debtors.

16. To the extent nonbankruptcy law governs any provision of this Stipulation, this Stipulation shall be interpreted, and the rights and duties of the parties hereto shall be determined, in accordance with the laws of the State chosen by the Debtors and the Aircraft Parties in the Aircraft Agreements.

17. Unless otherwise specifically provided herein, all notices required or permitted by the terms of the Aircraft Agreements or this Stipulation shall be in writing, and any such notice shall become effective upon receipt by the addressee of such notice by certified mail (return receipt requested), overnight courier service, electronic mail, or facsimile to the following addresses:

(A) If to the Debtors:

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 Gabrielle Glemann, Esq.
chris.kiplok@hugheshubbard.com
gabrielle.glemann@hugheshubbard.com

(B) If to any Aircraft Party, then as is set forth on Schedule 3 hereto or to its counsel filing any Notice of Appearance in these chapter 11 cases.

(C) If to counsel to the statutory Committee of Unsecured Creditors:

[]
Attention: [], Esq.
Facsimile: []

Dated: New York, New York
_____, 2016

Bruce R. Zirinsky
Sharon J. Richardson
Gary D. Ticoll
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New York, New York 10004
(212) 837-6000
chris.kiplok@hugheshubbard.com

*Proposed Attorneys for the Debtors and
Debtors in Possession*

Dated: [_____], 2016

[AIRCRAFT PARTIES]

By: _____

This Court having determined that the approval requested in the Stipulation is in the best interests of the Debtors, their estates and creditors, and it appearing that proper and adequate notice has been given and that no other or further notice is necessary, and upon the record herein, and after due deliberation thereon, and good and sufficient cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Stipulation and the transactions contemplated therein are APPROVED in their entirety.
2. Notwithstanding any provision of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure or the Local Rules of this Court to the contrary, this Order shall take effect immediately upon entry.

Dated: New York, New York
_____, 2016

United States Bankruptcy Judge

SCHEDULE 1

AIRCRAFT PARTIES

AIRCRAFT EQUIPMENT
U.S. FEDERAL AVIATION
ADMINISTRATION REGISTRATION
NUMBERS AND SERIAL NUMBERS

SCHEDULE 2

Payment Schedule and Other Obligations (if applicable)

SCHEDULE 3

Notice Information for Aircraft Parties