

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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:
In re : Chapter 11
:
SOUTHERN AIR : Case No. 12-12690 (CSS)
HOLDINGS, INC., et al., :
:
Debtors.1 : Jointly Administered
:
: Objection Deadline: October 12, 2012 at 4:00 p.m. (ET)
: Hearing Date: October 25, 2012 at 1:00 p.m. (ET)
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MOTION OF DEBTORS FOR AUTHORITY TO
(I) EMPLOY PROFESSIONALS UTILIZED IN THE ORDINARY COURSE
OF BUSINESS AND (II) IMPLEMENT CERTAIN PROCEDURES TO RETAIN,
COMPENSATE, AND REIMBURSE SUCH PROFESSIONALS PURSUANT
TO SECTIONS 105(a), 327, 328, AND 330 OF THE BANKRUPTCY CODE

Southern Air Holdings, Inc. ("Holdings") and its affiliated debtors in the above-
referenced chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors"),
submit this motion (the "Motion") and, in support thereof, respectfully represent as follows:

Jurisdiction

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C.
§§ 1334(b) and 157, and the Amended Standing Order of Reference from the United States
District Court for the District of Delaware, dated as of February 29, 2012. This is a core
proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28
U.S.C. §§ 1408 and 1409.

1 The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are:
(i) Southern Air Holdings, Inc., 6605; (ii) Cargo 360, Inc., 4233; (iii) Southern Air Inc., 2187; (iv) Air Mobility Inc.,
3824; (v) 21110 LLC, 3761; (vi) 21111 LLC, 8100; (vii) 21221 LLC, 1567; (viii) 21550 LLC, 8103; (ix) 21576
LLC, 6341; (x) 21590 LLC, 8105; (xi) 21787 LLC, 0617; (xii) 21832 LLC, 7893; (xiii) 23138 LLC, 7192;
(xiv) 24067 LLC, 6360; (xv) 46914 LLC, 0322; (xvi) Aircraft 21255, LLC, 5500; (xvii) Aircraft 21380, LLC, 1753;
and (xviii) CF6-50, LLC, 9733. The address for all Debtors is 117 Glover Avenue, Norwalk, Connecticut 06850.



Background

2. On the date hereof (the "Petition Date"), each of the Debtors commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee of creditors ("Creditors' Committee") has been appointed in these chapter 11 cases.

3. Contemporaneously herewith, the Debtors have filed a motion requesting joint administration of the chapter 11 cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

The Debtors' Businesses

4. Southern Air Inc. ("Southern Air"), the Federal Aviation Administration certificated, indirect subsidiary of Holdings, is an experienced provider of long-haul, wide-body air cargo transportation services. Southern Air operates a fleet of eleven aircraft, including four Boeing 777s, four Boeing 747-400s, and three Boeing 747-200s. Southern Air's staff and flight operations are positioned around the world to facilitate global operations for both governmental and commercial customers. Holdings is the direct or indirect parent company of the other Debtors.

5. As of the Petition Date, the Debtors employed approximately 611 full-time employees. For the twelve months ended July 31, 2012, the Debtors' unaudited and consolidated financial statements reflected revenues of approximately \$428.2 million and a net loss of \$159.8 million. As of July 31, 2012, the Debtors' unaudited and consolidated financial statements reflected assets totaling approximately \$206.9 million and liabilities totaling approximately \$486.5 million.

6. Additional information regarding the Debtors' business, capital structure, and the circumstances leading to this chapter 11 filing is contained in the *Declaration of Daniel J. McHugh in Support of the Debtors' Chapter 11 Petitions and First Day Relief*, filed contemporaneously herewith.

**Debtors' Proposed Procedures for
Employment of Ordinary Course Professionals**

7. In connection with their operations the Debtors employ professionals in the ordinary course of business (the "Ordinary Course Professionals") to render a wide variety of services to their estates. The Debtors seek authority to continue employing these Ordinary Course Professionals for the same purposes as such professionals were retained before the Petition Date. In the past, these professionals have provided legal, regulatory, accounting, technical, and/or other related services to the Debtors that have a direct and significant impact on the Debtors' day-to-day operations. It is essential that the employment of these Ordinary Course Professionals, many of whom are already familiar with the Debtors' businesses and affairs, be continued in order to avoid disruption of the Debtors' normal business operations.

8. The employment of the Ordinary Course Professionals and the payment of monthly compensation on the terms set forth herein are in the best interests of the Debtors, their estates, and their creditors. The relief requested will save the estates the substantial expenses associated with preparing and filing a separate retention application for each Ordinary Course Professional. Further, the relief requested will avoid the incurrence of additional fees relating to the preparation and prosecution of separate fee applications for each Ordinary Course Professional. Furthermore, the procedures outlined in paragraph 9 herein will relieve the Court, the Office of the United States Trustee for District of Delaware (the "U.S. Trustee"), and any

committees appointed in these cases the burden of reviewing numerous fee applications involving relatively small amounts of fees and expenses.

9. The Debtors propose that, with respect to such Ordinary Course Professionals, the Court dispense with the requirement of filing individual retention and fee applications, and implement the following procedures:

- a. Within twenty-eight (28) days after the later of (a) the entry of an order granting this Motion or (b) the date on which the Ordinary Course Professional commences services for the Debtors, each Ordinary Course Professional shall provide the following to the Debtors' attorneys: (a) an affidavit (the "OCP Affidavit"), substantially in the form attached hereto as Exhibit B, certifying that the professional does not represent or hold any interest adverse to the Debtors or their estates with respect to the matter(s) on which the professional is to be employed; and (b) a completed retention questionnaire (the "Retention Questionnaire"), substantially in the form attached hereto as Exhibit C.
- b. Upon receipt of the OCP Affidavit and Retention Questionnaire, the Debtors shall file the same with the Court and serve a copy thereof on (a) the U.S. Trustee and (b) the attorneys for any official committees appointed in these chapter 11 cases (collectively, the "Reviewing Parties").
- c. If no objections are filed and properly served within fourteen (14) days following service of the OCP Affidavit and Retention Questionnaire (the "Objection Deadline"), the Debtors may retain and employ the Ordinary Course Professional without further order from the Court.
- d. If an objection is filed and such objection cannot be resolved within twenty-one (21) days after the Objection Deadline, the matter shall be scheduled for adjudication by the Court at the next available hearing.
- e. No Ordinary Course Professional may be paid any amount for invoiced fees and expenses until the Ordinary Course Professional has been retained in accordance with these procedures.
- f. Once the Debtors retain an Ordinary Course Professional in accordance with these procedures, they shall pay such Ordinary Course Professional, without any application to or order by the Court, 100% of the fees and 100% of the disbursements incurred, upon the submission to, and approval by, the Debtors of an appropriate invoice setting forth in reasonable detail the nature of the services rendered and expenses actually incurred (the "Invoice"); *provided, however*, that the aggregate fees and disbursements

to any Ordinary Course Professional shall not exceed \$35,000 per month on a “rolling basis.” Paying fees on a “rolling basis” means that an Ordinary Course Professional whose fees and disbursements were less than \$35,000 in any month would be eligible to apply the difference between \$35,000 and the amount billed in such month to any subsequent month in which its fees and disbursements exceed \$35,000; *provided, however*, that payment during any such subsequent month shall not exceed \$45,000 per Ordinary Course Professional.

- g. In the event that an Ordinary Course Professional seeks more than \$35,000 in a single month for fees and disbursements (or \$45,000 if on a rolling basis), the Debtors may not pay that professional *any* fees or disbursements without Court approval, and that Ordinary Course Professional will be required to file a fee application for the full amount of its fees in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the fee guidelines of the U.S. Trustee, and any orders of the Court.

10. The Debtors seek to reserve the right to retain additional Ordinary Course Professionals from time to time during this case and to otherwise supplement the OCP List (as defined below), as necessary. In such event, the Debtors propose to file a notice with the Court listing such additional Ordinary Course Professionals and attaching to such notice the OCP Affidavits and Retention Questionnaires for each additional Ordinary Course Professional (collectively, the “Supplemental Notice of Ordinary Course Professionals”), and to serve the Supplemental Notice of Ordinary Course Professionals on the Reviewing Parties. The Debtors further propose that the procedures and deadlines for the Reviewing Parties to object to the retention, employment, or compensation of the additional Ordinary Course Professionals be the same as those set forth in paragraph 9 (c) and (d) above.

11. The Debtors reserve the right to dispute any invoice submitted by any Ordinary Course Professional.

Relief Requested

12. By this Motion, the Debtors request, pursuant to sections 105(a), 327, 328, and 330 of the Bankruptcy Code, authority to (a) retain, compensate, and reimburse Ordinary Course Professionals and (b) implement certain procedures to retain, compensate, and reimburse such professionals without submitting a separate retention or fee application for each individual professional. A proposed order is attached hereto as Exhibit D (the “Proposed Order”). An initial list of Ordinary Course Professionals (the “OCP List”) is attached hereto as Exhibit A.

Employment of Ordinary Course Professionals Should be Authorized

13. Section 327 (a) of the Bankruptcy Code provides as follows:

Except as otherwise provided in this section, the trustee, with the court’s approval, may employ one or more attorneys, accountants, appraisers, auctioneers, or other professional persons, that do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the trustee in carrying out the trustee’s duties under this title.

11 U.S.C. § 327(a).

14. Section 327(e) of the Bankruptcy Code further provides that “with the court’s approval” a debtor may employ:

[F]or a specified special purpose, other than to represent the trustee in conducting the case, an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtor or to the estate with respect to the matter on which such attorney is to be employed.

11 U.S.C. § 327(e).

15. Section 328(a) of the Bankruptcy Code provides, in pertinent part, that the debtor “with the court’s approval, may employ or authorize the employment of a professional

person under section 327 . . . on any reasonable terms and conditions of employment. . . .”

11 U.S.C. § 328(a).

16. Section 330 of the Bankruptcy Code authorizes the court to award a professional person employed under section 327 compensation for actual and necessary services rendered and reimbursement for actual and necessary expenses incurred. 11 U.S.C. § 330. Further, the Court has broad discretion under section 105(a) of the Bankruptcy Code to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” 11 U.S.C. § 105(a).

17. Although certain of the Ordinary Course Professionals may hold unsecured claims against the Debtors for prepetition services rendered, the Debtors do not believe that any of the Ordinary Course Professionals have an interest adverse to any Debtor, its creditors, or other parties in interest that should preclude such professional from continuing to represent the Debtors. Further, section 328(c) of the Bankruptcy Code excludes attorneys retained pursuant to section 327(e) from the requirement that such professional person be a disinterested person. 11 U.S.C. § 328(c).

18. Accordingly, pursuant to the foregoing provisions of the Bankruptcy Code, the Court may authorize the retention of Ordinary Course Professionals.

19. The Debtors submit that, in light of the additional costs associated with preparing retention applications and fee applications for professionals that will receive relatively small fees, it would be impractical and inefficient for the Debtors to submit individual retention applications and proposed retention orders for each Ordinary Course Professional. Accordingly, the Debtors request that this Court dispense with the requirement of individual retention and fee applications and orders for each Ordinary Course Professional.

20. Other than Ordinary Course Professionals, all professionals employed by the Debtors will be retained by the Debtors pursuant to separate retention applications. Such professionals will be compensated in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and other orders of this Court.

21. Courts in this District have approved procedures for the retention and payment of Ordinary Course Professionals similar to those proposed herein in many chapter 11 cases. *See, e.g., In re WP Steel Venture LLC*, Case No. 12-11661 (KJC) (Bankr. D. Del. June 19, 2012) [Docket No. 289]; *In re AES E. Energy L.P.*, Case No. 11-14138 (KJC) (Bankr. D. Del. Jan. 26, 2012) [Docket No. 114]; *In re Dallas Stars, L.P.*, Case No. 11-12935 (PJW) (Bankr. D. Del. Oct. 17, 2011) [Docket No. 120]; *In re DSI Holdings, Inc.*, Case No. 11-11941 (KJC) (Bankr. D. Del. July 21, 2011) [Docket No. 160]; *In re L.A. Dodgers LLC*, Case No. 11-12010 (KG) (Bankr. D. Del. July 19, 2011) [Docket No. 259]; *In re Elec. Components Int'l, Inc.*, Case No. 10-11054 (KJC) (Bankr. D. Del. Apr. 26, 2010) [Docket No. 84].²

22. Based on the foregoing, the Debtors submit that the requested relief is necessary and appropriate, is in the best interest of their respective estates and creditors, and should be granted in all respects.

Notice

23. No trustee, examiner, or Creditors' Committee has been appointed in these chapter 11 cases. Notice of this Motion has been provided to (a) the Office of the United States Trustee for the District of Delaware; (b) the Debtors' thirty (30) largest unsecured creditors on a consolidated basis; (c) the Securities and Exchange Commission; (d) the Internal Revenue Service; (e) the United States Attorney's Office for the District of Delaware; (f) the United States

² Because of the voluminous nature of the unreported orders cited in this Motion, they are not attached hereto; however, copies of these orders are available upon request of Debtors' counsel.

Transportation Command; (g) the Defense Logistics Agency - Energy; (h) Canadian Imperial Bank of Commerce, New York Agency (“CIBC”); (i) counsel to CIBC; (j) Oak Hill Capital Management (“Oak Hill”); (k) counsel to Oak Hill; (l) all lessors under aircraft operating leases with Southern Air; and (m) any other party directly affected by this Motion. The Debtors respectfully submit that such notice is sufficient under the circumstances.

No Previous Request

24. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE the Debtors respectfully request entry of the Proposed Order granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: September 28, 2012
Wilmington, Delaware

/s/ M. Blake Cleary
M. Blake Cleary (No. 3614)
YOUNG CONAWAY
STARGATT & TAYLOR, LLP
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

-and-

Brian S. Rosen, Esq.
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

*Proposed Attorneys for the
Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

-----X
: **Chapter 11**
: **Case No. 12-12690 (CSS)**
: **Jointly Administered**
: **Hearing Date: October 25, 2012 at 1:00 p.m. (ET)**
: **Objection Deadline: October 12, 2012 at 4:00 p.m. (ET)**
-----X

In re
SOUTHERN AIR HOLDINGS, INC., et al.,
Debtors.¹

NOTICE OF APPLICATION

TO: (A) THE OFFICE OF THE UNITED STATES TRUSTEE FOR THE DISTRICT OF DELAWARE; (B) EACH OF THE DEBTORS' THIRTY (30) LARGEST UNSECURED CREDITORS ON A CONSOLIDATED BASIS; (C) THE SECURITIES AND EXCHANGE COMMISSION; (D) THE INTERNAL REVENUE SERVICE; (E) THE UNITED STATES ATTORNEY'S OFFICE FOR THE DISTRICT OF DELAWARE; (F) THE UNITED STATES TRANSPORTATION COMMAND; (G) THE DEFENSE LOGISTICS AGENCY – ENERGY; (H) CANADIAN IMPERIAL BANK OF COMMERCE, NEW YORK AGENCY (“CIBC”); (I) COUNSEL TO CIBC; (J) OAK HILL CAPITAL MANAGEMENT (“OAK HILL”); (K) COUNSEL TO OAK HILL; (L) ALL LESSORS UNDER AIRCRAFT OPERATING LEASES WITH SOUTHERN AIR; AND (M) ALL PARTIES REQUESTING NOTICE PURSUANT TO BANKRUPTCY RULE 2002.

PLEASE TAKE NOTICE that the above-captioned debtors and debtors in possession (the “Debtors”) have filed the attached **Motion of Debtors for Authority to (I) Employ Professionals Utilized in the Ordinary Course of Business and (II) Implement Certain Procedures to Retain, Compensate, and Reimburse Such Professionals Pursuant to Sections 105(a), 327, 328, and 330 of the Bankruptcy Code** (the “Application”).

PLEASE TAKE FURTHER NOTICE that responses, if any, to the relief requested in the Application must be filed with the United States Bankruptcy Court for the

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: (i) Southern Air Holdings, Inc., 6605; (ii) Cargo 360, Inc., 4233; (iii) Southern Air Inc., 2187; (iv) Air Mobility Inc., 3824; (v) 21110 LLC, 3761; (vi) 21111 LLC, 8100; (vii) 21221 LLC, 1567; (viii) 21550 LLC, 8103; (ix) 21576 LLC, 6341; (x) 21590 LLC, 8105; (xi) 21787 LLC, 0617; (xii) 21832 LLC, 7893; (xiii) 23138 LLC, 7192; (xiv) 24067 LLC, 6360; (xv) 46914 LLC, 0322; (xvi) Aircraft 21255, LLC, 5500; (xvii) Aircraft 21380, LLC, 1753; and (xviii) CF6-50, LLC, 9733. The address for all of the Debtors is 117 Glover Avenue, Norwalk, Connecticut 06850.

District of Delaware, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before **October 12, 2012 at 4:00 p.m. (ET)**. At the same time, you must serve a copy of your response upon the undersigned counsel.

PLEASE TAKE FURTHER NOTICE THAT A HEARING ON THE RELIEF REQUESTED IN THE APPLICATION WILL BE HELD ON OCTOBER 25, 2012 AT 1:00 P.M. (ET) BEFORE THE HONORABLE CHRISTOPHER S. SONTCHI, UNITED STATES BANKRUPTCY JUDGE, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 5TH FLOOR, COURTROOM NO. 6, WILMINGTON, DELAWARE 19801.

PLEASE TAKE FURTHER NOTICE IF YOU FAIL TO RESPOND TO THE APPLICATION IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN WITHOUT FURTHER NOTICE OR A HEARING.

Dated: September 28, 2012
Wilmington, Delaware

/s/ M. Blake Cleary
M. Blake Cleary (No. 3614)
Jaime L. Chapman (No. 4936)
Maris F. Kandestin (No. 5294)
YOUNG CONAWAY
STARGATT & TAYLOR, LLP
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

-and-

Brian S. Rosen, Esq.
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

*Proposed Attorneys for the
Debtors and Debtors in Possession*

Exhibit A

Initial List of Ordinary Course Professionals

Official Name of Business	Street Address	City	State	Zip	Phone	Description of Service Provided
Cooley LLP	101 California 5th Floor	San Francisco	CA	94111	(415) 693-2000	Legal Advice / Services Related to Outstanding Litigation / Arbitration
Garofalo Goerlich Hainback PC	1200 New Hampshire Ave NW, Suite 800	Washington DC	Washington DC	20036	(202) 776-3970	Regulatory Legal Advice/Services
George S. Hoenig LLC	28 Wilton Hunt	Wilton	CT	06897	(203) 834-0546	Financial / Tax Accounting Services
Hinckley, Allen, Snyder LLP	50 Kennedy Plaza Suite 1500	Providence	RI	02903	(860) 725-6200	Legal Advice/ Services; Litigation Support
Kekst & Company	Care of Bank of New York, 16655 Collection Center Drive	Chicago	IL	60693	(212) 521-4800	Communications Consulting
Littler Mendelson PC	PO Box 45547	San Francisco	CA	94145	(800) 264-1031	Employment, Labor and Restructuring Legal Advice/Services
Morgan Lewis & Bockius LLP	1111 Pennsylvania Ave., NW	Washington	DC	20004	(202) 739-5407	Immigration Legal Advice/Services
Nick Sabatini & Associates, LLC	710 Annie Rose Ave	Alexandria	VA	22301	(703) 548-9523	FAA Consulting Services to Management
PricewaterhouseCoopers LLP	PO Box 7247-8001	Philadelphia	PA	19170-8001	(646) 471-6040	Tax Advisory Services
Taylor English & Duma LLP	1600 Parkwood Circle, Suite 400	Atlanta	GA	30339	(770) 434-6868	Aircraft Lease and Maintenance Agreement legal Advice/Services

Official Name of Business	Street Address	City	State	Zip	Phone	Description of Service Provided
Vern Findley	PO Box 1322	Litchfield	AZ	85340		Department of Defense Advice

Exhibit B
OCP Affidavit

The Services include, but are not limited to, the following:

The Company may have performed services in the past and may perform services in the future, in matters unrelated to these Chapter 11 Cases, for persons that are parties in interest in the Debtors' Chapter 11 Cases. As part of its customary practice, the Company is retained in cases, proceedings, and transactions involving many different parties, some of which may represent or be claimants, employees of the Debtors, or other parties in interest in these Chapter 11 Cases. The Company does not perform services for any such person in connection with these Chapter 11 Cases. In addition, the Company does not have any relationship with any such person, their attorneys, or their accountants that would be adverse to the Debtors or their estates with respect to the matters on which the Company is to be retained.

Neither I nor any principal of or professional employed by the Company has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principals and regular employees of the Company.

Neither I nor any principal of or professional employed by the Company, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or their estates.

As of the date of the commencement of their Chapter 11 Cases, the Debtors owed the Company \$_____ for prepetition services. [Upon approval of this application, the Company waives all claims for monies owed by the Debtors for prepetition services.]

The Company is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of its employment, if the Company should discover any facts bearing on the matters described herein, the Company will supplement the information contained in this affidavit.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and that this Affidavit and Disclosure Statement was executed on _____ 2012, at _____, _____.

Affiant Name:

SWORN TO AND SUBSCRIBED before
me this ___ day of _____, 2012

Notary Public

Exhibit C
Retention Questionnaire

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

-----X
: **Chapter 11**
: **Case No. 12-12690 (CSS)**
: **Jointly Administered**
: **Debtors.¹**
: **Debtor's.**
: **Debtor's.**
-----X

RETENTION QUESTIONNAIRE

TO BE COMPLETED BY PROFESSIONALS EMPLOYED by Southern Air Holdings, Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the “Debtors”).

DO NOT FILE THIS QUESTIONNAIRE WITH THE COURT.
RETURN IT FOR FILING BY THE DEBTORS, TO:

Counsel for the Debtors at:
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
Attn: Brian S. Rosen, Esq.

-and-

Co-Counsel for the Debtors at:
Young Conaway Stargatt Taylor, LLP
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Attn: M. Blake Cleary, Esq.

All questions **must** be answered. Please use “none,” “not applicable,” or “N/A,” as appropriate. If more space is needed, please complete on a separate page and attach.

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: (i) Southern Air Holdings, Inc., 6605; (ii) Cargo 360, Inc., 4233; (iii) Southern Air Inc., 2187; (iv) Air Mobility Inc., 3824; (v) 21110 LLC, 3761; (vi) 21111 LLC, 8100; (vii) 21221 LLC, 1567; (viii) 21550 LLC, 8103; (ix) 21576 LLC, 6341; (x) 21590 LLC, 8105; (xi) 21787 LLC, 0617; (xii) 21832 LLC, 7893; (xiii) 23138 LLC, 7192; (xiv) 24067 LLC, 6360; (xv) 46914 LLC, 0322; (xvi) Aircraft 21255, LLC, 5500; (xvii) Aircraft 21380, LLC, 1753; and (xviii) CF6-50, LLC, 9733. The address for all Debtors is 117 Glover Avenue, Norwalk, Connecticut 06850.

Name and address of company:

Date of retention: _____

Type of services to be provided (accounting, legal, etc.):²

Brief description of services to be provided:

Arrangements for compensation (hourly, contingent, etc.)

(a) Average hourly rate (if applicable):³ _____

(b) Estimated average monthly compensation based on prepetition retention (if company was employed prepetition):

Prepetition claims against the Debtors held by the company:

Amount of claim: \$ _____

² Please be specific in describing the types of services provided.

³ Please provide your best estimate.

Date claim arose: _____

Nature of claim: _____

Prepetition claims against the Debtors held individually by any member, associate, or professional employee of the company:

Name: _____

Status: _____

Amount of claim: \$_____

Date claim arose: _____

Nature of claim: _____

Disclose the nature and provide a brief description of any interest adverse to the Debtors or to their estates for the matters on which the company is to be employed.

Name of individual completing this form.

Dated: _____, 2012

Exhibit D
Proposed Order

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

-----X
: **Chapter 11**
: **Case No. 12-12690 (CSS)**
: **Jointly Administered**
: **Re: Docket No.**
-----X

In re
**SOUTHERN AIR
HOLDINGS, INC., et al.,
Debtors.**¹

**ORDER PURSUANT TO SECTIONS
105(a), 327, 328, AND 330 OF THE BANKRUPTCY
CODE AUTHORIZING THE DEBTORS TO (I) EMPLOY
PROFESSIONALS UTILIZED IN THE ORDINARY COURSE
OF BUSINESS AND (II) IMPLEMENT CERTAIN PROCEDURES
TO RETAIN, COMPENSATE, AND REIMBURSE SUCH PROFESSIONALS**

Upon the motion, dated September 27, 2012 (the “Motion”),² of Southern Air Holdings, Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the “Debtors”), for authority to (a) retain, compensate, and reimburse Ordinary Course Professionals and (b) implement certain procedures to retain, compensate, and reimburse such professionals without submitting a separate retention or fee application for each individual professional pursuant to sections 105(a), 327, 328, and 330 of the Bankruptcy Code as more fully set forth in the Motion; and upon consideration of the *Declaration of Daniel J. McHugh in Support of the Debtors’ Chapter 11 Petitions and First Day Relief*; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: (i) Southern Air Holdings, Inc., 6605; (ii) Cargo 360, Inc., 4233; (iii) Southern Air Inc., 2187; (iv) Air Mobility Inc., 3824; (v) 21110 LLC, 3761; (vi) 21111 LLC, 8100; (vii) 21221 LLC, 1567; (viii) 21550 LLC, 8103; (ix) 21576 LLC, 6341; (x) 21590 LLC, 8105; (xi) 21787 LLC, 0617; (xii) 21832 LLC, 7893; (xiii) 23138 LLC, 7192; (xiv) 24067 LLC, 6360; (xv) 46914 LLC, 0322; (xvi) Aircraft 21255, LLC, 5500; (xvii) Aircraft 21380, LLC, 1753; and (xviii) CF6-50, LLC, 9733. The address for all Debtors is 117 Glover Avenue, Norwalk, Connecticut 06850.

² All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

Amended Standing Order of Reference from the United States District Court for the District of Delaware, dated as of February 29, 2012; and consideration of the Motion and the requested relief 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 proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors and their respective estates and creditors; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Debtors are authorized, but not directed, pursuant to sections 105(a), 327, 328, and 330 of the Bankruptcy Code to retain, compensate, and reimburse Ordinary Course Professionals, an initial list of which is attached to the Motion as Exhibit A (the “OCP List”), in accordance with the following procedures:
 - a. Within twenty-eight (28) days after the later of (a) the entry of this Order or (b) the date on which the Ordinary Course Professional commences services for the Debtors, each Ordinary Course Professional shall provide the following to the Debtors’ attorneys: (a) An affidavit (the “OCP Affidavit”), substantially in the form attached to the Motion as Exhibit B, certifying that the professional does not represent or hold any interest adverse to the Debtors or their estates with respect to the matter(s) on which the professional is to be employed; and (b) A completed retention questionnaire (the “Retention Questionnaire”), substantially in the form attached to the Motion as Exhibit C.
 - b. Upon receipt of the OCP Affidavit and Retention Questionnaire, the Debtors shall file the same with the Court and serve a copy thereof on (a) the U.S. Trustee and (b) the attorneys for any official committees

appointed in these chapter 11 cases (collectively, the “Reviewing Parties”).

- c. If no objections are filed and properly served within fourteen (14) days following service of the OCP Affidavit and Retention Questionnaire (the “Objection Deadline”), the Debtors may retain and employ the Ordinary Course Professional without further order from the Court.
 - d. If an objection is filed and such objection cannot be resolved within twenty-one (21) days after the Objection Deadline, the matter shall be scheduled for adjudication by the Court at the next available hearing.
 - e. No Ordinary Course Professional may be paid any amount for invoiced fees and expenses until the Ordinary Course Professional has been retained in accordance with these procedures.
 - f. Once the Debtors retain an Ordinary Course Professional in accordance with these procedures, they shall pay such Ordinary Course Professional, without any application to or order by the Court, 100% of the fees and 100% of the disbursements incurred, upon the submission to, and approval by, the Debtors of an appropriate invoice setting forth in reasonable detail the nature of the services rendered and expenses actually incurred (the “Invoice”); *provided, however*, that the aggregate fees and disbursements to any Ordinary Course Professional shall not exceed \$35,000 per month on a “rolling basis.” Paying fees on a “rolling basis” means that an Ordinary Course Professional whose fees and disbursements were less than \$35,000 in any month would be eligible to apply the difference between \$35,000 and the amount billed in such month to any subsequent month in which its fees and disbursements exceed \$35,000; *provided, however*, that payment during any such subsequent month shall not exceed \$45,000 per Ordinary Course Professional.
 - g. In the event that an Ordinary Course Professional seeks more than \$35,000 in a single month for fees and disbursements (or \$45,000 if on a rolling basis), the Debtors may not pay that professional *any* fees or disbursements without Court approval, and that Ordinary Course Professional will be required to file a fee application for the full amount of its fees in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the fee guidelines of the U.S. Trustee, and any orders of the Court.
3. The Debtors reserve the right to dispute any invoice submitted by any

Ordinary Course Professional.

4. The Debtors are authorized to supplement the initial list of Ordinary Course Professionals from time to time during these chapter 11 cases, as the need arises. The Debtors shall file notice with the Court listing such additional Ordinary Course Professionals, attach thereto the applicable OCP Affidavits and Retention Questionnaires (collectively, the “Supplemental Notice of Ordinary Course Professionals”), and serve the Supplemental Notice of Ordinary Course Professionals on the Reviewing Parties. The procedures and deadlines for the Reviewing Parties to object to the retention, employment, or compensation of the additional Ordinary Course Professionals shall be the same as set those forth in paragraph 1(c) and (d) above.

5. The OCP Affidavit, substantially in form attached to the Motion as Exhibit B, and Retention Questionnaire, substantially in the form attached to the Motion as Exhibit C, are both approved.

6. The Debtors are authorized to take all steps necessary to carry out this Order.

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

Dated: _____, 2012
Wilmington, Delaware

CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE