

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

	X	
	:	
<i>In re</i>	:	Chapter 11
	:	
SOUTHERN AIR HOLDINGS, INC., et al.,	:	Case No. 12-12690 (CSS)
	:	
Debtors.¹	:	Jointly Administered
	:	
	:	Re: Docket No. 8
	X	

**ORDER AUTHORIZING DEBTORS TO HONOR
PREPETITION OBLIGATIONS AND OTHERWISE CONTINUE PERFORMING
UNDER CIVIL RESERVE AIR FLEET AGREEMENTS AND PREPAID CONTRACTS
PURSUANT TO SECTIONS 105(a), 362, AND 363(b) OF THE BANKRUPTCY CODE**

Upon the motion, dated September 28, 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 honor prepetition obligations and otherwise continue performing under the CRAF Agreements and the Prepaid Contracts, and, to the extent necessary, to modify the Automatic Stay for the limited purpose of permitting certain actions under the CRAF Agreements, pursuant to sections 105(a), 362, and 363(b) 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. §§ 1334 and 157, and the *Amended Standing Order of Reference from the United States District Court for*

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 Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.



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) and 363(b) of the Bankruptcy Code, to honor prepetition obligations and otherwise continue performing under the CRAF Agreements and the Prepaid Contracts.
 3. Pursuant to section 362(d) of the Bankruptcy Code, the Automatic Stay is modified solely to permit the Patriot Team Leader to administer the payment and commission provisions contained in the Patriot Team Allocation Agreements.
 4. Nothing contained herein is intended or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' 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.
- Likewise any payment made pursuant to this Interim Order is not intended and should not be

construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

5. The requirements of Bankruptcy Rule 4001(a)(3) are waived.
6. The requirements of Local Rule 4001-1 are waived.
7. The requirements of Bankruptcy Rule 6003(b) have been satisfied.
8. The requirements of Bankruptcy Rule 6004(a) are waived.
9. Notwithstanding any applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
10. The Debtors are authorized to take all steps necessary to carry out this Order.
11. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

Dated: October 1, 2012
Wilmington, Delaware



PETER J. WALSH
UNITED STATES BANKRUPTCY JUDGE