

**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 Nos. 7, 47 & 72
	-----X		

CERTIFICATION OF COUNSEL

The undersigned hereby certifies as follows:

1. On September 28, 2012, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) commenced these chapter 11 cases.

2. On September 28, 2012, the Debtors filed, among other things, the *Motion of Debtors for Entry of Interim and Final Orders (I) For Authority to Pay (A) Certain Employee Obligations and (B) Prepetition Claims of Independent Contractors and (II) Authorizing and Directing Financial Institutions to Honor and Process Checks and Transfers Related to Such Obligations Pursuant to Sections 105(a), 363(b), and 507(a) of the Bankruptcy Code* [Docket No. 7] (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Court”). The extended deadline to object to the relief requested in the Motion was October 18, 2012 at 4:00 p.m. (ET).

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.



3. On September 28, 2012, the Court conducted a preliminary first day hearing (the “September 28 Hearing”), at the conclusion of which the Court entered the *Interim Order (I) Authorizing the Payment of (A) Certain Employee Obligations and (B) Prepetition Claims for Independent Contractors and (II) Authorizing and Directing Financial Institutions to Honor and Process Checks and Transfers Related to Such Obligations Pursuant to Sections 105(a), 363(b), and 507(a) of the Bankruptcy Code* [Docket No. 47] (the “First Interim Order”).

4. On October 1, 2012, the Court conducted a second first day hearing (the “October 1 Hearing”), at the conclusion of which, among other things, the Court entered the *Second Interim Order Authorizing the Payment of (A) Certain Employee Obligations and (B) Prepetition Claims for Independent Contractors and (II) Authorizing and Directing Financial Institutions to Honor and Process Checks and Transfers Related to Such Obligations Pursuant to Sections 105(a), 363(b), and 507(a) of the Bankruptcy Code* [Docket No. 72] (the “Second Interim Order”).

5. The extended deadline to object to entry of an order granting the relief in the Motion requested on a final basis was October 18, 2012 at 4:00 p.m. (ET). The Debtors have not received any formal objections or informal comments with respect to same.

6. Attached hereto as Exhibit 1 is a revised proposed form of order (the “Revised Proposed Order”) conforming the original final proposed form of order to the Court’s rulings on the record at the September 28 Hearing. For the convenience of the Court and parties in interest, attached hereto as Exhibit 2 is a blackline reflecting the changes made to the proposed final form of order filed with the Motion.

WHEREFORE, the Debtors respectfully request that based upon the *Declaration of Daniel J. McHugh in Support of the Debtors’ Chapter 11 Petitions and First Day Relief*

[Docket No. 14] and the record of these cases, including the records established at the September 28 Hearing and October 1 Hearing, the Court enter the Revised Proposed Order attached hereto as Exhibit 1 at the earliest convenience of the Court.

Dated: October 23, 2012
Wilmington, Delaware

/s/ Maris J. Kandestin
M. Blake Cleary (No. 3614)
Maris J. Kandestin (No. 5294)
Jaime Luton Chapman (No. 4936)
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 1

Revised Proposed Order

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

-----X
:
In re : **Chapter 11**
:
SOUTHERN AIR : **Case No. 12-12690 (CSS)**
HOLDINGS, INC., *et al.*, :
:
Debtors.¹ : **Jointly Administered**
:
:
:
Re: Docket Nos. 7, 47 & 72
-----X

**FINAL ORDER (I) AUTHORIZING THE PAYMENT
OF CERTAIN EMPLOYEE OBLIGATIONS AND (II) AUTHORIZING AND
DIRECTING FINANCIAL INSTITUTIONS TO HONOR AND PROCESS
CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS PURSUANT
TO SECTIONS 105(a), 363(b), AND 507(a) 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”), requesting entry of (a) an Interim Order authorizing the Debtors to (i) pay outstanding prepetition Wage Obligations and Employee Reimbursement Obligations, subject to the Prepetition Wage Cap, (ii) pay all prepetition amounts due on account of Payroll Taxes, the Health and Welfare Plans, the Optional Enrollment Plans, and Union Dues, (iii) pay prepetition claims of Independent Contractors, and (iv) continue to honor their Wage Obligations, Employee Reimbursement Obligations, Payroll Taxes, Health and Welfare Plans, Optional Enrollment Plans, Union Dues, and payment of any fee or cost associated with the foregoing in the ordinary

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.

course of business during the Interim Period; (b) a Final Order authorizing the Debtors to (i) pay outstanding prepetition Wage Obligations and Employee Reimbursement Obligations, (ii) honor prepetition Severance Obligations, (iii) continue prepetition practices with respect to payment of postpetition Severance Obligations, and (iv) compensate eligible Employees for accrued and unused vacation days; and (c) an Interim Order and Final Order authorizing and directing Banks to receive, process, honor, and pay any check or electronic fund transfer from Debtors' accounts, to the extent that such checks or transfers relate to any of the obligations described herein, pursuant to sections 105(a), 363(b), and 507(a) 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 *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 entered an interim order granting certain of the relief requested in the Motion on September 28, 2012 (the "Interim Order"); and the Court having entered a second interim order granting the relief requested in the motion on October 1, 2012 (the "Second Interim Order"); 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 on a final basis, as set forth herein.
2. The Debtors are authorized, but not directed, pursuant to sections 105(a), 363(b), and 507(a) of the Bankruptcy Code, to pay any outstanding prepetition Wage Obligations and Employee Reimbursement Obligations to their Employees in accordance with the Debtors' prepetition policies and practices; *provided, however*, that, such payments shall not exceed \$7,700 (in addition to amount authorized under the Interim Order).
3. The Debtors are further authorized, but not directed, pursuant to sections 105(a), 363(b), and 507(a) of the Bankruptcy Code, to honor prepetition Severance Obligations in accordance with the Debtors' prepetition policies and practices; *provided, however*, that the Debtors shall not pay any individual Employee on account of prepetition Severance Obligations in an amount greater than the Prepetition Wage Cap.
4. The Debtors are further authorized, but not directed, pursuant to sections 105(a), 363(b), and 507(a) of the Bankruptcy Code to continue their prepetition practices with respect to payment of Severance Obligations during the pendency of these chapter 11 cases.
5. The Debtors are further authorized but not directed pursuant to sections 105(a), 363(b), and 507(a) of the Bankruptcy Code, to compensate eligible Employees for accrued and unused vacation days in accordance with the Debtors' prepetition practices.
6. The Banks are authorized and directed to receive, process, honor and pay any (a) any prepetition checks or electronic fund transfer requests from the Debtors' accounts with respect to Wage Obligations, Employee Reimbursement Obligations, or Severance

Obligations and (b) any postpetition checks or new fund transfer requests from the Debtors' accounts with respect to such obligations. Banks and any third party receiving payment from the Debtors are authorized and directed to rely on the representations of the Debtors as to which payments are authorized by this Final Order.

7. 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 Final 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.

8. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

9. The requirements of Bankruptcy Rule 6004(a) are waived.

10. Notwithstanding any applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

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

Dated: _____, 2012
Wilmington, Delaware

CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 2

Blackline of Revised Proposed Order

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

-----X
: **Chapter 11**
: **Case No. 12- 12690 (CSS)**
: **Jointly Administered**
: **Re: Docket Nos. 7, 47 & 72**
-----X

In re

SOUTHERN AIR
HOLDINGS, INC., *et al.*,

Debtors.¹

**FINAL ORDER (I) AUTHORIZING THE PAYMENT
OF CERTAIN EMPLOYEE OBLIGATIONS AND (II) AUTHORIZING AND
DIRECTING FINANCIAL INSTITUTIONS TO HONOR AND PROCESS
CHECKS AND TRANSFERS RELATED TO SUCH OBLIGATIONS PURSUANT
TO SECTIONS 105(a), 363(b), AND 507(a) 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”), requesting entry of (a) an Interim Order authorizing the Debtors to (i) pay outstanding prepetition Wage Obligations and Employee Reimbursement Obligations, subject to the Prepetition Wage Cap, (ii) pay all prepetition amounts due on account of Payroll Taxes, the Health and Welfare Plans, the Optional Enrollment Plans, and Union Dues, (iii) pay prepetition claims of Independent Contractors, and (iv) continue to honor their Wage Obligations, Employee Reimbursement Obligations, Payroll Taxes, Health and Welfare Plans, Optional Enrollment Plans, Union Dues, and payment of any fee or cost associated with the foregoing in the ordinary

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.

course of business during the Interim Period; (b) a Final Order authorizing the Debtors to (i) pay outstanding prepetition Wage Obligations and Employee Reimbursement Obligations, (ii) honor prepetition Severance Obligations, (iii) continue prepetition practices with respect to payment of postpetition Severance Obligations, and (iv) compensate eligible Employees for accrued and unused vacation days; and (c) an Interim Order and Final Order authorizing and directing Banks to receive, process, honor, and pay any check or electronic fund transfer from Debtors' accounts, to the extent that such checks or transfers relate to any of the obligations described herein, pursuant to sections 105(a), 363(b), and 507(a) 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 *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 entered an interim order granting certain of the relief requested in the Motion on September _____, 2012 (the "28, 2012 (the "Interim Order"); and the Court having entered a second interim order granting the relief requested in the motion on October 1, 2012 (the "Second Interim Order"); 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 on a final basis, as set forth herein.
2. The Debtors are authorized, but not directed, ~~to the extent consistent with the terms and conditions of the DIP Credit Agreement,~~³ pursuant to sections 105(a), 363(b), and 507(a) of the Bankruptcy Code, to pay any outstanding prepetition Wage Obligations and Employee Reimbursement Obligations to their Employees in accordance with the Debtors' prepetition policies and practices; *provided, however*, that, such payments shall not exceed \$7,700 (in addition to amount authorized under the Interim Order).
3. The Debtors are further authorized, but not directed, ~~to the extent consistent with the terms and conditions of the DIP Credit Agreement,~~ pursuant to sections 105(a), 363(b), and 507(a) of the Bankruptcy Code, to honor prepetition Severance Obligations in accordance with the Debtors' prepetition policies and practices; *provided, however*, that the Debtors shall not pay any individual Employee on account of prepetition Severance Obligations in an amount greater than the Prepetition Wage Cap.
4. The Debtors are further authorized, but not directed, ~~to the extent consistent with the terms and conditions of the DIP Credit Agreement,~~ pursuant to sections 105(a), 363(b), and 507(a) of the Bankruptcy Code to continue their prepetition practices with respect to payment of Severance Obligations during the pendency of these chapter 11 cases.
5. The Debtors are further authorized but not directed, ~~to the extent consistent with the terms and conditions of the DIP Credit Agreement,~~ pursuant to sections

³ ~~The DIP Credit Agreement shall mean that certain Senior Secured Super-Priority Debtor in Possession Credit Agreement, by and among Cargo 360, CIBC, and various financial institutions and other persons from time to time parties thereto, dated as of September 28, 2012.~~

105(a), 363(b), and 507(a) of the Bankruptcy Code, to compensate eligible Employees for accrued and unused vacation days in accordance with the Debtors' prepetition practices.

6. The Banks are authorized and directed to receive, process, honor and pay any (a) any prepetition checks or electronic fund transfer requests from the Debtors' accounts with respect to Wage Obligations, Employee Reimbursement Obligations, or Severance Obligations and (b) any postpetition checks or new fund transfer requests from the Debtors' accounts with respect to such obligations. Banks and any third party receiving payment from the Debtors are authorized and directed to rely on the representations of the Debtors as to which payments are authorized by this Final Order.

7. 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 Final 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.

8. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

9. The requirements of Bankruptcy Rule 6004(a) are waived.

10. Notwithstanding any applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

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

Dated: _____, 2012
Wilmington, Delaware

CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE