

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

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**In re** : **Chapter 11**
  
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**SOUTHERN AIR** : **Case No. 12-12690 (CSS)**
  
**HOLDINGS, INC., et al.,** :
  
:
  
**Debtors.**<sup>1</sup> : **Jointly Administered**
  
:
  
: **Re: Docket No. 54**
  
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**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 for 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* [Docket No. 54] (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.

3. Subsequent to the filing of the Motion, the Debtors received informal comments from the Office of the United States Trustee (the “U.S. Trustee”) with respect to same.

<sup>1</sup> 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.



Attached hereto as Exhibit A is a revised proposed form of order (the “Revised Proposed Order”) resolving the U.S. Trustee’s issues and concerns with respect to the Motion. For the convenience of the Court and parties in interest, attached hereto as Exhibit B is a blackline reflecting all changes made to the proposed form of order filed with the Motion. The Debtors have shared the Revised Proposed Order with the U.S. Trustee, who has no objection to the entry of same.

WHEREFORE, the Debtors respectfully request that the Court enter the Revised Proposed Order 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 A**

**Revised Proposed Order**

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

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*In re* : **Chapter 11**  
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SOUTHERN AIR : **Case No. 12-12690 (CSS)**  
HOLDINGS, INC., *et al.*, :  
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Debtors.<sup>1</sup> : **Jointly Administered**  
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Re: Docket No. 54  
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**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”),<sup>2</sup> 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

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<sup>1</sup> 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.

<sup>2</sup> 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, as set forth herein.
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 this Order as Exhibit 1 (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

## Exhibit 1

### Initial List of Ordinary Course Professionals

Official Name of Business	Street Address	City	State	Zip	Phone	Description of Service Provided
Cooley LLP	101 California Street, 5th Floor	San Francisco	CA	94111-5800	(415) 693-2000	Legal Advice / Services Related to Outstanding Litigation / Arbitration
Garofalo Goerlich Hainback PC	1200 New Hampshire Ave., NW, Suite 800	Washington	DC	20036	(202) 776-3970	Regulatory Legal Advice/Services
Kekst & Company	427 Madison Avenue	New York	NY	10022-7001	(212) 521-4800	Communications Consulting
Littler Mendelson PC	650 California Street, 20th Floor	San Francisco	CA	94108	(415) 433-1940	Employment, Labor and Restructuring Legal Advice/Services
Morgan Lewis & Bockius LLP	1111 Pennsylvania Ave., NW	Washington	DC	20004-2541	(202) 739-3000	Immigration Legal Advice/Services
Nick Sabatini & Associates, LLC	710 Annie Rose Ave	Alexandria	VA	22301	(703) 548-9523	FAA Consulting Services to Management
Taylor English & Duma LLP	1600 Parkwood Circle, Suite 400	Atlanta	GA	30339	(770) 434-6868	Aircraft Lease and Maintenance Agreement legal Advice/Services
Vern Findley	PO Box 1322	Litchfield	AZ	85340		Department of Defense Advice



**EXHIBIT B**

**Blackline of Revised Proposed Order**

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

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: **Chapter 11**  
: **Case No. 12-12690 (CSS)**  
: **Jointly Administered**  
: **Re: Docket No. 54**  
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*In re*  
**SOUTHERN AIR HOLDINGS, INC., et al.,**  
**Debtors.<sup>1</sup>**

**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”),<sup>2</sup> 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

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<sup>2</sup> 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, as set forth herein.
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 this Order as Exhibit A1 (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.
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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

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CHRISTOPHER S. SONTCHI  
UNITED STATES BANKRUPTCY JUDGE

**Exhibit 1**

**Initial List of Ordinary Course Professionals**

<u>Official Name of Business</u>	<u>Street Address</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone</u>	<u>Description of Service Provided</u>
<u>Cooley LLP</u>	<u>101 California Street, 5th Floor</u>	<u>San Francisco</u>	<u>CA</u>	<u>94111-5800</u>	<u>(415) 693-2000</u>	<u>Legal Advice / Services Related to Outstanding Litigation / Arbitration</u>
<u>Garofalo Goerlich Hamback PC</u>	<u>1200 New Hampshire Ave., NW, Suite 800</u>	<u>Washington</u>	<u>DC</u>	<u>20036</u>	<u>(202) 776-3970</u>	<u>Regulatory Legal Advice/Services</u>
<u>Kekst &amp; Company</u>	<u>427 Madison Avenue</u>	<u>New York</u>	<u>NY</u>	<u>10022-7001</u>	<u>(212) 521-4800</u>	<u>Communications Consulting</u>
<u>Little Mendelson PC</u>	<u>650 California Street, 20th Floor</u>	<u>San Francisco</u>	<u>CA</u>	<u>94108</u>	<u>(415) 433-1940</u>	<u>Employment, Labor and Restructuring Legal Advice/Services</u>
<u>Morgan Lewis &amp; Bockius LLP</u>	<u>1111 Pennsylvania Ave., NW</u>	<u>Washington</u>	<u>DC</u>	<u>20004-2541</u>	<u>(202) 739-3000</u>	<u>Immigration Legal Advice/Services</u>
<u>Nick Sabatini &amp; Associates, LLC</u>	<u>710 Annie Rose Ave</u>	<u>Alexandria</u>	<u>VA</u>	<u>22301</u>	<u>(703) 548-9523</u>	<u>FAA Consulting Services to Management</u>
<u>Taylor English &amp; Duma LLP</u>	<u>1600 Parkwood Circle, Suite 400</u>	<u>Atlanta</u>	<u>GA</u>	<u>30339</u>	<u>(770) 434-6868</u>	<u>Aircraft Lease and Maintenance Agreement Legal Advice/Services</u>
<u>Vern Findley</u>	<u>PO Box 1322</u>	<u>Litchfield</u>	<u>AZ</u>	<u>85340</u>		<u>Department of Defense Advice</u>