

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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In re: Chapter 11

FLYi, INC., et al. Case No. 05-20011 (MFW)

(Jointly Administered)

Debtors.

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**FIRST APPLICATION OF THE MEMBERS OF THE OFFICIAL COMMITTEE  
OF UNSECURED CREDITORS FOR REIMBURSEMENT OF EXPENSES**

TO: THE HONORABLE MARY F. WALRATH,  
CHIEF UNITED STATES BANKRUPTCY JUDGE

The Application (the "Application") of two members of the Official Committee of Unsecured Creditors (the "Committee") of FLYi, Inc., et al. (collectively, the "Debtors") for reimbursement of expenses (the "Applicants"), by Otterbourg, Steindler, Houston & Rosen, P.C. ("OSH&R") and Pepper Hamilton LLP ("Pepper"), its attorneys, respectfully represents and alleges:

1. On November 7, 2005, the Debtors filed voluntary petitions for reorganization under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). This Court has entered an Order Directing Joint Administration of these Chapter 11 cases. 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 or examiner has been appointed in these cases.

2. This Court has jurisdiction over this Application pursuant to 28 U.S.C. Sections 157 and 1334. Venue of this proceeding is proper in this district pursuant to 28 U.S.C. Sections 1408 and 1409.

3. The Debtors have represented, among other things, that as of the Petition Date, through their operating subsidiary, Independence Air, Inc., they operated a premier low-cost, low-fare airline providing all-jet service to various destinations throughout the United States. The Debtors also represent that as of the Petition Date, they had approximately 3,283 employees. The Debtors state that as of September 30, 2005, on a consolidated basis, they had assets of \$378.5 million and liabilities of \$455.4 million.

4. On November 15, 2005, the United States Trustee for the District of Delaware (the "United States Trustee") appointed the seven (7) member Committee pursuant to Section 1102(a)(1) of the Bankruptcy Code. On November 15, 2005, the Committee selected Trident Turboprop (Dublin) Limited, represented by Hamish P. Davidson of BAE Systems Regional Aircraft, Inc., as its Chairperson. Thereafter, the Committee selected Otterbourg, Steindler, Houston & Rosen, P.C. ("OSH&R") as lead co-counsel, Pepper Hamilton LLP as local co-counsel, and Giuliani Capital Advisors LLC as financial advisors.

5. The instant Application covers expenses incurred from November 15, 2005 through December 20, 2005 (the "First Expense Period"). During the First Expense Period, the Committee was formed at the organizational meeting held on November 15, 2005 in Wilmington, Delaware, and the Committee held two in-person meetings at the offices of the Debtors' counsel in New York. Applicants are located a distance from where such meetings were held and, accordingly, have incurred costs in attending these meetings.

6. Pursuant to the Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals, Applicants hereby request reimbursement of one-hundred percent (100%) of their actual out-of-pocket expenses incurred as members of the Committee during the First Expense Period, in the aggregate amount of \$805.88. Attached hereto as Exhibit "A" is a schedule which shows the summary of expenses incurred by the Applicants during the First Expense Period. Annexed hereto as Exhibit "B" are Certifications from the Applicants together with substantially all of the documentation supporting the amounts incurred. Applicants submit that the out-of-pocket expenses incurred in connection with attendance at the Committee meetings were necessary and reasonable.

**WHEREFORE**, Applicants respectfully request the entry of an Order awarding reimbursement for Applicant's actual and necessary expenses as detailed by the schedule annexed hereto as Exhibit "A".

Dated: New York, New York  
April 3, 2006

OTTERBOURG, STEINDLER, HOUSTON &  
ROSEN, P.C.

By: 

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