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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: : **Chapter 11**
NORTHWEST AIRLINES CORPORATION, et al., : **Case No. 05-17930 (ALG)**
: **Jointly Administered**
Debtors. :
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APPLICATION OF R. A. BRODIN LLC AS ORDINARY COURSE PROFESSIONAL FOR THE DEBTORS FOR ENTRY OF AN ORDER (I) GRANTING SECOND AND FINAL INTERIM ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES RENDERED IN THE PERIOD FROM FEBRUARY 1, 2007 THROUGH MAY 31, 2007; (II) GRANTING FINAL ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES RENDERED FOR THE PERIOD OCTOBER 1, 2006 THROUGH MAY 31, 2007; AND (III) AUTHORIZING THE REORGANIZED DEBTORS TO RELEASE AND PAY THE HOLDBACK

R.A. Brodin Group LLC (“Brodin”), Ordinary Course Professional for Northwest Airlines Corporation, et al., (“NWA Corp.”), and certain of its direct and indirect subsidiaries, that were debtors and debtors in possession in these chapter 11 cases (collectively, “Northwest” or the “Reorganized Debtors”),¹ as and for its application (the “Application”) pursuant to sections 330(a) and 331 of title 11, United States Code (the “Bankruptcy Code”) and Rule 2016

¹ In addition to NWA Corp., the Reorganized Debtors consist of: Northwest Airlines, Inc., NWA Fuel Services Corporation, Northwest Aerospace Training Corp., MLT Inc., Compass Airlines, Inc. f/k/a Northwest Airlines Cargo, Inc., NWA Retail Sales Inc., Montana Enterprises, Inc., NW Red Baron LLC, Aircraft Foreign Sales, Inc., NWA Worldclub, Inc. and NWA Aircraft Finance, Inc. The preceding entities, together with Northwest Airlines Holdings Corporation and NWA Inc., were the debtors and debtors in possession (the “Debtors”) in these cases prior to May 31, 2007, the Effective Date of the Debtors’ Plan (as defined herein). On the Effective Date, Northwest Airlines Holdings Corporation merged into NWA Inc. and thereafter, NWA Inc. merged into Northwest Airlines and went out of existence.

of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for an order (i) granting second and final interim allowance of compensation for professional services performed by Brodin for the period commencing February 1, 2007 through and including May 31, 2007 (the “Compensation Period”); (ii) granting final allowance of compensation for professional services rendered during the period October 1, 2006 through May 31, 2007 (the “Representation Period”); (iii) authorizing the release and payment of the compensation that is subject to a holdback of 20% (the “Holdback”) as set forth in the Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members entered by the Court on October 19, 2005 (Docket No. 742) (the “Administrative Order”), respectfully represents:

SUMMARY OF PROFESSIONAL COMPENSATION REQUESTED

1. Brodin was employed as an “ordinary course professional” in accordance with the Order Pursuant to Sections 105(a), 327, 328 and 330 of the Bankruptcy Code Authorizing the Debtors to Employ and Compensate Certain Professionals Utilized in the Ordinary Course of the Debtors’ Business (the “OCP Order”) entered October 20, 2005 (Docket No. 755). Pursuant to the OCP Order, if the fees and expenses billed by an ordinary course professional during the pendency of the chapter 11 cases exceed \$500,000 (the “Fee Threshold”), such professional’s compensation is thereafter subject to approval of the Court in accordance with sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Southern District of New York, orders of the Court, and the Fee Guidelines promulgated by the Executive Office of the United States Trustee (defined below). Accordingly, because the Fee Threshold has been exceeded, Brodin is filing this

Application with the Court. Prior to the Compensation Period, Brodin's fees were paid to it in the ordinary course of business and without holdback, as provided in the OCP Order.

2. This Application has been prepared in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995 (the "Local Guidelines"), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the "UST Guidelines"), the Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members (the "Administrative Order," collectively with the Local Guidelines and UST Guidelines, the "Guidelines"). Pursuant to the Local Guidelines, a certification regarding compliance with same is attached hereto as Exhibit "A."

3. Brodin seeks (i) allowance of interim compensation for professional services rendered during the Compensation Period in the aggregate amount of \$160,000; (ii) final approval of compensation for professional services rendered in the Representation Period in the aggregate amount of \$320,000; and (iii) authorization for the Reorganized Debtors to release and pay to Brodin \$68,000², representing the entire 20% Holdback accrued and owed to Brodin in these cases. Brodin is not seeking reimbursement by the Reorganized Debtors of its expenses.

4. Robert A. Brodin ("Mr. Brodin") is a former Northwest executive, having held the position of Senior Vice President of Labor Relations for 6 years prior to retirement. Mr. Brodin's work on behalf of the Debtors during the Compensation Period related to labor and

² As a result of an administrative error, the Holdback amount exceeds by \$4,000 the required holdback ordered by the Court with respect to fees earned by Brodin during the Representation Period. Accordingly, by this Application, Brodin requests release of all amounts being held back by the Debtors, which totals \$68,000.

employment matters as well as Collective Bargaining Agreement (“CBA”) administration and other related matters.

5. Brodin’s retention agreement with the Debtors does not require Brodin to provide the Debtors with either contemporaneous time records or schedules of hourly rates. Rather, Brodin’s engagement with the Debtors provides for a flat monthly billing rate of \$40,000.

6. During the Compensation Period, Brodin has received no payment nor has it received any promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between Brodin and any other person, for the sharing of compensation to be received for services rendered in these cases.

7. The fees charged by Brodin in these cases are billed in accordance with its existing billing rates and procedures in effect during the Compensation Period. Such fees are reasonable based on the services being provided and customary compensation charged by comparably skilled professionals in comparable nonbankruptcy cases.

8. Because Mr. Brodin is the only professional who performed services for Brodin on behalf of the Debtors in these chapter 11 cases during the Compensation Period, the requirement in the UST Guidelines for a separate list of individuals employed by Brodin and the billing rate charged by Brodin for services performed by such individual is not applicable.

BACKGROUND

9. On September 14, 2005 (the “Petition Date”), each of the Debtors (except Aircraft Finance) filed with this Court a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).³

10. Prior to the Petition Date, Mr. Brodin served as Senior Vice President of Labor Relations of NWA Corp. for 6 years prior to retirement and was primarily responsible for labor and employment related matters.

11. Pursuant to the OCP Order, the Debtors were authorized to retain Brodin as their employment and labor relations and CBA administration consultant as an ordinary course professional in these chapter 11 cases.

12. On March 23, 2007, Brodin filed its First Application for Interim Professional Compensation (the “First Interim Application”) for Services Rendered and for Reimbursement of Actual and Necessary Expenses Incurred From October 1, 2006 to January 31, 2007 (Docket No. 5545). The “Summary of Services” section of the First Interim Application is incorporated herein by reference.

13. On April 26, 2006, the Court entered an Order Granting the First Interim Application (Docket No. 6464).

14. On May 18, 2007, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) entered its Findings of Fact, Conclusions of Law, and Order Under 11 U.S.C. § 1129(a) and (b) and Fed. R. Bankr. P. 3020 (the “Confirmation Order”) [Docket No. 6944] Confirming Debtors’ First Amended Joint and Consolidated Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the “Plan”) and on May 31, 2007, the Effective Date of the Plan occurred.

³ Aircraft Finance filed its chapter 11 petition on September 30, 2005.

SUMMARY OF SERVICES

15. During the Compensation Period, Brodin rendered substantial professional services to the Debtors in support of their agreements with their important labor constituency. In particular, Brodin served as consultant to the Debtors and worked closely with senior management on both day-to-day issues as well as certain special consulting projects and rendered significant consulting services with respect to labor, employment and CBA related matters in connection with these Debtor's chapter 11 cases.

16. The following is a summary of the significant professional services rendered by Brodin during the Compensation Period.

a. Collective Bargaining Agreement (CBA) Administration

- (i) Handled daily conferences/teleconferences relating to CBA implementation issues, CBA interpretations and disputes, various grievances, process problems and other related issues;
- (ii) Participated in regular meetings with flight operations and labor relations personnel to discuss, review, provide advice and counsel and respond to CBA issues;
- (iii) Conducted internal conferences and calls with Debtors' senior management regarding strategic handling of important union issues;
- (iv) Supervised and participated with Debtors' senior management in regular briefings with certain unions on items relating to pilot staffing, fleet plans, sale of unsecured claims, status of alliances, financial and business updates, etc.;
- (v) Participated as advisor to Debtors' management in internal meetings and meetings with unions regarding the sale of unsecured claims;
- (vi) Assisted Debtors' management and Debtors' professionals in arbitration preparation;
- (vii) Worked with Debtors' management as a participant, witness and advisor in arbitration hearings;

- (viii) Lead the Flight Operation's Negotiating Committee in reaching agreement with ALPA on resolution of certain scope grievances and Collective Bargaining Agreement work rule modifications;
- (ix) Provided advice and counsel to Debtors' management;
- (x) Assisted Debtors' management and Debtors' professionals in working with ALPA on an alternative to the flat rate DC Pension Plan.

b. Pilot Negotiations

- (i) Served as lead negotiator in negotiations of a new CBA for certain pilots;
- (ii) Lead the negotiating team in internal preparation and planning;
- (iii) Reviewed and researched regional industry pilot CBAs and developed industry standard template for utilization in bargaining;
- (iv) Assisted in the drafting and review of various CBA sections;
- (v) Conducted negotiating sessions, both face-to-face and by teleconference;
- (vi) Lead the management team during the mediation process;
- (vii) Prepared and presented the management case in the Interest Arbitration Proceeding;
- (viii) Prepared and filed Brief in Arbitration Proceeding.

c. General Labor Relations Matters

- (i) Attended and participated in daily meetings with Debtors' management related to ongoing issues and disputes arising out of certain restructured CBAs;
- (ii) Participated in meetings with Debtors' management and Debtors' professionals regarding litigation and negotiations;
- (iii) Provided regular updates and briefings to Debtors' management regarding CBA and labor relations developments in the airline industry, including status of CBA negotiations, litigation, and consolidation issues;

- (iv) Provided advice and counsel to Debtors' management regarding employee communications;
- (v) Worked with labor relations and Debtors' professionals in preparation for various arbitration hearings;
- (vi) Assisted Debtors' professionals in responding to ALPA litigation regarding alleged status quo violation.

17. The foregoing professional services performed by Brodin were necessary, appropriate, and in the best interests of the Debtors and the other parties in interest. Compensation for the foregoing services, as requested, is commensurate with the complexity, importance and nature of the problems, issues or tasks involved. The professional services were performed in an expeditious and efficient manner.

THE REQUESTED COMPENSATION SHOULD BE ALLOWED

18. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 to govern the Court's award of such compensation. 11 U.S.C. § 331. Section 330 of the Bankruptcy Code provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual necessary services rendered . . . and reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Section 330 of the Bankruptcy Code also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including --

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and
- (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

19. In the instant case, Brodin respectfully submits that the services for which it seeks compensation in this Application were necessary for, and beneficial to, the Debtors. The tenor of the professional services rendered by Brodin were focused on employment and labor relations matters. Brodin has been performing the services in a timely manner commensurate with the complexity, importance and nature of the issue involved. Accordingly, Brodin further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, their estates and all parties in interest. Accordingly, approval of the compensation sought herein is warranted.

20. As part of this application, Brodin also requests that the Court authorize the Reorganized Debtors to release and pay to Brodin \$68,000 representing the entire Holdback owed by the Reorganized Debtors to Brodin in these cases. Northwest has paid Brodin 80% of its fees for professional services. Because the Plan has been confirmed and is effective, Brodin submits that there is no further necessity to maintain the Holdback. Accordingly, Brodin

requests that the Court specifically authorize the payment of \$68,000 representing the aggregate amount of the Holdback accrued in these cases.

MEMORANDUM OF LAW

21. Brodin submits that the relevant legal authorities are set forth herein, and that the requirement pursuant to Local Bankruptcy Rule 9013-1 – that Brodin file a memorandum of law in support of this Application – is satisfied.

CONCLUSION

WHEREFORE, Brodin respectfully requests an order (i) granting second and final interim allowance of compensation for professional services rendered during the Compensation Period in the amount of \$160,000; (ii) granting final allowance of such compensation for professional services rendered during the Representation Period in the amount of \$320,000; (iii) authorizing the Reorganized Debtors to pay to Brodin the Holdback in the amount of \$68,000; and (iv) granting Brodin such other and further relief as is just.

Dated: New York, New York
July _____, 2007

Respectfully submitted,

/s/ Robert A. Brodin

Robert A. Brodin
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LABOR RELATIONS CONSULTANT TO THE
REORGANIZED DEBTORS

EXHIBIT A

Robert A. Brodin
R. A. BRODIN, LLC
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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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NORTHWEST AIRLINES CORPORATION, et al., : **Case No. 05-17930 (ALG)**
: **Jointly Administered**
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**CERTIFICATION UNDER GUIDELINES FOR FEES AND
DISBURSEMENTS FOR PROFESSIONALS IN RESPECT OF FIRST
APPLICATION OF R.A. BRODIN GROUP LLC FOR
INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**

I, Robert A. Brodin, hereby certify that:

1. I am the principal of the applicant firm, R.A. Brodin Group LLC (“Brodin”), with responsibility for certain labor matters as an ordinary course professional in the chapter 11 cases of Northwest Airlines Corporation and certain of its direct and indirect subsidiaries, formerly debtors and debtors in possession (collectively, “Northwest”), in respect of compliance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995 (the “Local Guidelines”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on

January 30, 1996 (the “UST Guidelines”), and the Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members (the “Administrative Order,” collectively with the Local Guidelines and UST Guidelines, the “Guidelines”).

2. This certification is made in respect of Brodin’s application, dated July 26, 2007 (the “Application”), for (i) interim compensation and reimbursement of expenses for the period commencing February 1, 2007, through and including May 31, 2007 (the “Compensation Period”) in accordance with the Guidelines; and (ii) final approval of compensation for the period October 1, 2006 through and including May 31, 2007 (the “Representation Period”).

3. In respect of section B.1 of the Local Guidelines, I certify that:

- I have read the Application;
- to the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines and the UST Guidelines;
- the fees and disbursements sought are billed at rates in accordance with practices customarily employed Brodin and generally accepted by Brodin’s clients except to the extent that fees or disbursements are prohibited by the Local Guidelines or the UST Guidelines; and
- in providing a reimbursable service, Brodin does not make a profit on that service, whether the service is performed by Brodin in-house or through a third party.

4. In respect of section B.2 of the Local Guidelines, and as required by the Administrative Order, I certify that Brodin has complied with these provisions requiring it to provide Northwest, counsel for the statutory committee of unsecured creditors appointed in these cases (the “Committee”) and the United States Trustee for the Southern District of New York (the “United States Trustee”) with a statement of Brodin’s fees and disbursements on a monthly basis, as such provisions are applicable to ordinary course professionals.

5. In respect of section B.3 of the Local Guidelines, I certify that Northwest, counsel for the Post-Effective Date Committee established pursuant to the Debtors' confirmed plan of reorganization and the United States Trustee are each being provided with a copy of the Application.

Dated: New York, New York
July 26, 2007

/s/ Robert A. Brodin
Robert A. Brodin