

IN THE UNITED STATES BANKRUPTCY COURT

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FOR THE DISTRICT OF HAWAII

In re

HAWAIIAN AIRLINES, INC.,  
a Hawaii corporation,

Debtor.

) **Case No. 03 - 00817**  
) (Chapter 11)

) **ORDER PURSUANT TO SECTION 105(a) OF**  
) **THE BANKRUPTCY CODE AUTHORIZING**  
) **THE DEBTORS TO PAY CERTAIN**  
) **CONTRACTORS IN SATISFACTION OF**  
) **PERFECTED OR POTENTIAL MECHANICS',**  
) **MATERIALMEN'S OR SIMILAR LIENS OR**  
) **INTERESTS IN THE ORDINARY COURSE OF**  
) **BUSINESS**

) Date: March 21, 2003  
) Time:  
) Judge: Hon. Robert J. Faris

ENTERED ON DOCKET

MAR 21 2003

Upon the Motion<sup>1</sup> of Hawaiian Airlines, Inc. (the "Debtor"), the debtor and debtor in possession in the above-captioned chapter 11 case, seeking entry of an Order, pursuant to section 105(a) of the Bankruptcy Code, authorizing the Debtor to pay certain contractors in satisfaction of perfected mechanics, materialmen's or similar liens or interests, whether possessory or otherwise (collectively, the "Perfected Liens and/or Interests"), or in satisfaction of unperfected mechanics, materialmen's or similar liens and/or interests, whether

<sup>1</sup> Capitalized terms used but not defined herein shall have the meaning given in the Motion.

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possessory or otherwise, that the Debtor believes could be validly perfected notwithstanding the filing of this chapter 11 case (collectively the “Unperfected Liens and/or Interests” and collectively with the Perfected Liens and/or Interests, the “Liens and/or Interests”) in the ordinary course of business; and it appearing that the relief requested is essential to the continued operation of the Debtor’s businesses and in the best interest of the Debtor’s estate, creditors and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409; and adequate notice of the Motion having been given; and it appearing that no other notice need be given; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED THAT:

1. The Motion is granted in its entirety.
2. The Debtor is authorized, but not directed, to pay, in its sole discretion, the Claims in the ordinary course of its business; provided, however, that with respect to each Claim, the Debtor is not authorized to pay a Claim unless the Outside Maintenance Provider, Shipper or Contractor (collectively, the “Outside Service Providers”) has perfected, or, in the Debtor’s judgment, is capable of perfecting or may be capable of perfecting in the future, one or more

(22)

Lien and/or Interest in respect of such Claim, ~~or the Debtor believes such payment would be in the best interests of its estate.~~

3. By accepting payment pursuant to this Order, the Outside Service Provider agrees to continue to provide goods and/or services to the Debtor postpetition on ordinary and customary trade terms (the "Customary Terms"), and to promptly release any Liens and/or Interests upon payment of such Claim.

4. If any Outside Service Provider accepts payment pursuant to this Order and thereafter does not continue to provide goods and/or services on Customary Terms during the pendency of the Debtor's chapter 11 case or fails to promptly release its Liens and/or Interests upon such payment, then (i) any payment on a prepetition claim received by such Outside Service Provider shall be deemed to be a postpetition transfer and, therefore, recoverable by the Debtor in cash upon written request, and (ii) upon recovery by the Debtor, any such prepetition claim shall be reinstated as if the payment had not been made; provided, however, that nothing in this paragraph shall preclude an Outside Service Provider from contesting such treatment by making a written request to the Debtor to schedule a hearing before this Court, which hearing the Debtor shall promptly schedule.

5. Neither this Order, nor the Debtor's actions, shall be deemed to be an assumption or adoption of an agreement, contract or policy.

6. Any payment pursuant to this Order is not, and shall not be deemed an admission as to the validity of the underlying obligation or a waiver of any rights the Debtor may have to dispute such obligation.

7. In accordance with this Order and any other order of this Court, each of the banks and financial institutions at which the Debtor maintains its accounts relating to the payment of the claims that the Debtor requests authority to pay in the Motion are authorized and directed to honor checks presented for payment, to honor all fund transfer requests made by the Debtors related thereto, to the extent that sufficient funds are on deposit in such accounts, and to rely on the Debtor's statements with respect to the foregoing.

8. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

9. Notwithstanding the possible applicability of Bankruptcy Rules 6004(g), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

Dated: Honolulu, Hawaii, MAR 21 2003, 2003.



UNITED STATES BANKRUPTCY JUDGE

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In re Hawaiian Airlines, Inc., Chapter 11, Case No. 03-\_\_\_\_\_;  
ORDER PURSUANT TO SECTION 105(a) OF THE BANKRUPTCY CODE  
AUTHORIZING THE DEBTORS TO PAY CERTAIN CONTRACTORS IN  
SATISFACTION OF PERFECTED OR POTENTIAL MECHANICS',  
MATERIALMEN'S OR SIMILAR LIENS OR INTERESTS IN THE  
ORDINARY COURSE OF BUSINESS