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Hearing Date: January 5, 2006 at 2:30 p.m.
(prevailing Eastern Time)

Attorneys for Debtors and
Debtors in Possession

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

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In re: :
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DELTA AIR LINES, INC., et al., : **Chapter 11 Case No.**
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Debtors. : **05-17923 (PCB)**
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**LIMITED OBJECTION OF THE DEBTORS TO THE APPLICATION OF THE
SECTION 1114 COMMITTEE TO RETAIN BARBARA NIEHUS AND
MITCHELL I. SEROTA AS ACTUARIES, *NUNC PRO TUNC* TO
OCTOBER 27, 2005**

TO THE HONORABLE PRUDENCE CARTER BEATTY
UNITED STATES BANKRUPTCY JUDGE:

Delta Air Lines, Inc. (“**Delta**”) and those of its subsidiaries that are
debtors and debtors in possession in these proceedings (collectively, the “**Debtors**”),¹ as
and for their objection to the application of the Section 1114 Committee to retain Barbara

¹ The Debtors are the following entities: ASA Holdings, Inc.; Comair Holdings, LLC; Comair, Inc.; Comair Services, Inc.; Crown Rooms, Inc.; DAL Aircraft Trading, Inc.; DAL Global Services, LLC; DAL Moscow, Inc.; Delta AirElite Business Jets, Inc.; Delta Air Lines, Inc.; Delta Benefits Management, Inc.; Delta Connection Academy, Inc.; Delta Corporate Identity, Inc.; Delta Loyalty Management Services, LLC; Delta Technology, LLC; Delta Ventures III, LLC; Epsilon Trading, Inc.; Kappa Capital Management, Inc.; and Song, LLC.

Niehus and Mitchell I. Serota as actuaries (together, the “**Actuaries**”), *nunc pro tunc* to October 27, 2005 (the “**Application**”), respectfully state:

Introduction

1. The Debtors have no objection to the retention of the Actuaries by the Section 1114 Committee. However, the Debtors believe that a dispute exists with the Section 1114 Committee as to the scope of Section 1114. The Debtors therefore file this limited objection to the extent the Committee seeks to retain the Actuaries to conduct analysis with respect to issues outside the scope of 11 U.S.C. § 1114, including, *inter alia*, analysis of the Delta Air Lines Family-Care Disability and Survivorship Trust (the “**D&S Trust**”) and of the impact on retiree benefits of a sale of the Debtors and the Debtors’ chapter 11 plan(s) or any other chapter 11 plans.

2. In paragraph 10(a) of the Application, the Committee states that “[a]s actuaries to the Committee, it is expected that Niehus and Serota will . . . [a]nalyz[e] the Delta Air Lines Family-Care Disability and Survivorship Plan [*sic*] Trust . . . and documentation related thereto” However, as the Debtors have previously argued in pleadings currently pending before this Court, the Debtors do not believe that 11 U.S.C. § 1114 applies to the D&S Trust. *See* Objection and Memorandum of Law of the Debtors to the Section 1114 Committee’s Motion to Enforce Section 1114 Obligations at 22-24 (Dec. 12, 2005) (Hearing Date: January 19, 2006). Thus, the Debtors respectfully submit that the Committee should not be authorized to employ the Actuaries to analyze the D&S Trust because it is entirely outside the scope of Section 1114.

3. In addition, in paragraph 10(b) of the Application, the Committee states that “[a]s actuaries to the Committee, it is expected that Niehus and Serota will . . .

[a]nalyz[e] the impact on the retiree benefits of (i) the sale of the Debtors, either in whole or in part and (ii) the Debtors' chapter 11 plan(s) or any other chapter 11 plans." Once again, to the extent the Actuaries' work falls outside the scope of 1114², the Debtors object on a limited basis.

4. The Debtors further reserve the right to object to any application for fees or compensation by the Actuaries (or any other professionals of the Section 1114 Committee) to the extent they relate to services outside the scope of 11 U.S.C. § 1114.

Notice

5. No trustee or examiner has been appointed in these chapter 11 cases. Consistent with the procedures described in the Court's Order Approving Notice, Case Management and Administrative Procedures entered October 6, 2005 (the "**Case Management Order**"), the Debtors have served this Objection on (i) the Core Parties (as that term is defined in the Case Management Order) and (ii) the Section 1114 Committee.

² 11 U.S.C. § 1114(b)(2), which sets forth the issues as to which the Committee may properly inquire, does not address the sale of a debtor. *See* 11 U.S.C. § 1114(b)(2). Further, 11 U.S.C. § 1114 refers to reorganization plan issues only to the extent of 11 U.S.C. § 1129(a)(13)'s requirement that a plan provide for continuation of benefits modified under 11 U.S.C. § 1114. *See* 11 U.S.C. § 1114(b)(2).

New York, New York
Dated: December 29, 2005

By: /s/ Marshall S. Huebner
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