

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	Chapter 11
)	
UAL CORPORATION, et al.,)	Case No. 02-B-48191
)	(Jointly Administered)
Debtors.)	
)	Honorable Eugene R. Wedoff

**ORDER PURSUANT TO SECTIONS 327(a) AND 328(a) OF THE BANKRUPTCY
CODE AND BANKRUPTCY RULE 2014(a) AUTHORIZING THE EMPLOYMENT
AND RETENTION OF BABCOCK & BROWN AS RESTRUCTURING ADVISOR
WITH RESPECT TO SECURED DEBT AND LEASE OBLIGATIONS
FOR DEBTOR UNITED AIR LINES**

Upon the Application¹ of the Debtors in the above-captioned Chapter 11 cases for entry of an order pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a) authorizing the employment and retention of Babcock & Brown (“Babcock”) as their restructuring advisor with respect to secured debt and lease obligations for the Debtor; and upon the affidavit of Jan Blaustein Scholes (the “Babcock Affidavit”); and the Court being satisfied based on the representations made in the Application and Babcock Affidavit that Babcock does not represent an interest adverse to the Debtors’ estates with respect to the matters upon which they are to be engaged; that Babcock is a disinterested person as that term is defined under 11 U.S.C. § 101(14), as modified by 11 U.S.C. § 1107(b); and that the employment of Babcock is, and it appearing that the relief requested is, essential to the continued operation of the Debtors’ businesses and in the best interest of the Debtors’ estates and creditors; 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 and 1334; and it appearing that venue of this proceeding and this Application is proper in this District

¹ Capitalized terms not defined herein shall have the same meaning as in the Application.

pursuant to 28 U.S.C. §§ 1408 and 1409; and adequate notice of the Application 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:

1. The Application is granted.
2. The Debtor United Air Lines is authorized to employ and retain Babcock as their restructuring advisors with respect to secured debt and lease obligations on the terms set forth in the Application.
3. Babcock will file fee applications for interim and final allowance of compensation and reimbursement of expenses pursuant to the procedures set forth in Sections 330 and 331 of the Bankruptcy Code, any applicable Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Local Bankruptcy Rules for the Northern District of Illinois (the “Local Rules”) and any orders of this Court.
4. The compensation and reimbursement of expenses to be paid to Rothschild shall be in accordance with the terms of the Engagement Letter, which fees and expense reimbursements shall not hereafter be subject to challenge except under the standard of review under Section 328(a) of the Bankruptcy Code.
5. Notwithstanding anything to the contrary in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, any orders of this Court or any guidelines regarding submission and approval of fee applications, Rothschild and its professionals shall not be required to maintain time records for services rendered, and shall not be required to provide or conform to any schedule of hourly rates.
6. To the extent that any term of this Order is inconsistent with the Engagement Letter, such term of this Order shall govern.

7. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

8. 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.

9. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

Chicago, Illinois

Dated: _____, 2002

ENTERED

DEC 30 2002

EUGENE R. WEDOFF
BANKRUPTCY JUDGE

United States Bankruptcy Judge