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September 11, 2002

OUR FILE NUMBER  
882,605-569

WRITER'S DIRECT DIAL  
703-918-2720

**BY HAND DELIVERY**

Andrew S. Fishel, Managing Director  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

WRITER'S E-MAIL ADDRESS  
trosenberg@omm.com

**Re: *US Airways, Inc.*  
Petition for Waiver and/or Deferral of Fees Associated  
with Application IBFS Submission No. IB2002001409**

Dear Sir/Madam:

On behalf of US Airways, Inc. ("US Airways"), we hereby submit an original and four (4) copies of the enclosed petition requesting waiver of the fee requirements of §§ 1.1102 and 1.1117(e) of the Commission's Rules. US Airways respectfully requests that this waiver request be reviewed in association with the above-referenced application.

It is respectfully requested that you stamp the receive date on the enclosed copy marked "Stamp and Return" and return it to us for our files. Please contact the undersigned should any questions arise concerning this submission.

Very truly yours,

Todd D. Rosenberg  
for O'Melveny & Myers LLP

Counsel to US Airways, Inc.

Enclosure

cc: Mary Jane Solomon, International Bureau (via email)  
Shawana Burnham, International Bureau (via email)

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

In the Matter of

**US AIRWAYS, INC., DEBTOR-IN  
POSSESSION**

**IBFS Submission No. IB2002001409**

Petition for Waiver of §1.1102 of the Commission's Rules in Connection with Application Filing Fees Associated with *Pro Forma* Applications for Involuntary Assignment for Various Wireless Licenses Pursuant to §1.1117 of the Commission's Rules;

Request for Deferral of Payment of Application Filings Fees Pursuant to §1.1117 of the Commission's Rules and, in the alternative, waiver of §1.1117(e) of the Commission's Rules pursuant to §1.3 of the Commission's Rules.

To: Office of Managing Director

**PETITION FOR  
WAIVER OF APPLICATION FILING FEES & DEFERRAL OF PAYMENT**

US Airways, Inc., Debtor-in-Possession ("Assignee"), pursuant to §1.1117 of the Commission's Rules and by its attorneys, hereby seeks a waiver of §1.1102 of the Federal Communications Commission's ("Commission") Rules which require the payment of application filing fees in connection with the above referenced application for *pro forma*, involuntary assignment of the license for earth station E960086 ("Application"). See **Exhibit 1**. The Application was necessitated by US Airways, Inc.'s ("Licensee") August 11, 2002 bankruptcy filing which resulted in Assignee's Debtor-in-Possession status. In addition to the earth station,

licensee holds various wireless licenses used in connection with its operations as a commercial airline which are subject to a separately filed waiver request.

In addition, Assignee requests a deferral of the obligation to pay the application filing fees upon filing of the Application, pursuant to §1.1117(e) of the Commission's Rules as revised effective as of the date hereof, pending the Managing Director's ruling on the waiver request described above. In the alternative, and to the extent still necessary, it is requested that the Commission waive any remaining requirement to pay the application filing fees while awaiting the Managing Director's review of the waiver request described above.

**I. THE BANKRUPTCY**

US Airways Group, Inc., ("Parent") filed voluntary petition forms along with seven of its wholly owned subsidiaries for bankruptcy in the United States Bankruptcy Court, Eastern District of Virginia on August 11, 2002.<sup>1</sup> A copy of the bankruptcy filing is attached as **Exhibit 2**. With these filings, the legal status of Parent and its subsidiaries was converted to "debtors-in-possession." In addition to the earth station which is the subject of the present petition, the subsidiaries (other than MidAtlantic, UALS and MSC) hold various aircraft, aviation radio-navigation, aviation auxiliary group, and land mobile licenses granted to them by the Commission in connection with their operations as commercial airlines. The parties will file applications for issuance of aircraft licenses to the debtor-in-possession entities and will accompany those filings with a waiver request as well.

The Application was filed on September 10, 2002 and has been assigned IBFS submission number IB2002001409.

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<sup>1</sup>See *In re US Airways Group, Inc., et al., Debtors*, Chapter 11 Case No. 02-83984-91 (SSM), Hon. Stephen S. Mitchell, Jointly Administered, United States Bankruptcy Court, Eastern District of Virginia. The entities that filed bankruptcy documents that gave them Debtor-in-Possession status were (1) Parent, (2) Licensee (3) Allegheny Airlines, Inc., ("Allegheny"), (4) PSA Airlines, Inc. ("PSA"), (5) Piedmont Airlines, Inc., ("Piedmont"), (6) MidAtlantic Airlines, Inc. ("MidAtlantic"), (7) US Airways Leasing & Sales, Inc. ("UALS") and (8) Material Services Company, Inc. ("MSC"). None of MidAtlantic, UALS or MSC hold any FCC licenses. The referenced filings in the United States Bankruptcy Court are attached to the Application.

## II. THE PUBLIC INTEREST

### A. **The Section 1.1117 Waiver Is In The Public Interest**

Assignee requests that it not be required to pay the application filing fees that are associated with the Application. Section 1.1117 of the Commission's Rules, provides that application filing fees may be "waived or deferred in specific instances where good cause is shown and where waiver or deferral of the fee would promote the public interest." 47 C.R.F. §1.1117(a). Accordingly, Assignee requests relief under this provision of the Commission's Rules.

In *Mobile Media Corporation, et al.*, Memorandum Opinion & Order, 14 FCC Rcd 8017, 8027 (1999), ("Mobile Media"), the Commission waived application filing fees under §1.1117 of its Rules associated with the reorganization of a bankrupt paging carrier solely on the fact that its bankruptcy status served as "good cause" for waiver of application filing fees. The Commission also held that "waiver of the fee will serve the public interest by enabling [the carrier] to preserve assets that will accrue to innocent creditors." *Supra*. See also, *Implementation of Section 9 of the Communications Act, Assessment and Collection of Regulatory Fees for the 1994 Fiscal Year*, Memorandum Opinion & Order, 10 FCC Rcd 12759, 12762 (1995) ("evidence of bankruptcy or receivership sufficient to establish financial hardship for purposes of waiving of regulatory fees,"); *In the Matter of Daniel R. Goodman, Receiver; Dr. Robert Chan, Petition for Waiver of Sections 90.633(c) and 1.1102 of the Commission's Rules*, Memorandum Opinion and Order, FCC 95-211 (rel. May 24, 1995).

In the present case, Assignee submits that the bankruptcy requires like treatment in the grant of the present waiver request. See *Melody Music, Inc. v. FCC*, 345 F.2d 730, 733 (D.C. Cir. 1965). As set forth above, Licensee has filed for Chapter 11 bankruptcy and has been awarded Debtor-in-Possession status. Payment of the application filing fee is another financial

burden which, based on FCC precedent, should be avoided because of the bankruptcy, particularly so because a *pro forma* transaction does not entail any real changes in control of the Licensee. As stated above, grant of this waiver would preserve funds better used to sustain operations and, as the Commission pointed out in *Mobile Media, supra*, this payment would direct monies from the innocent creditors whose claims are already compromised in the bankruptcy proceedings. Accordingly, Assignee requests grant of a waiver under §1.1117 of the Commission's Rules.

**B. The Fee Deferral Is In The Public Interest**

As revised effective as of the date hereof, §1.1117(e) of the Commission's Rules requires that a carrier requesting deferral or a waiver of the application filing fees under §1.1117 submit the specified application filing fees or request a deferral in a filing with the Managing Director. The circumstances of financial hardship which justify the issuance of the waiver requested above, as described above, justify the deferral of the fee payment at this juncture pending the Managing Director's ruling. In the alternative, the same circumstances also justify a waiver of the requirement to pay the application filing fees at the time of filing as required by §1.1117(e) as it existed prior to today's change pursuant to the Commission's general waiver provisions as codified in §1.3 of the Commission's Rules. *See also, WAIT Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969), *cert. denied*, 409 U.S. 1027 (1972).

\* \* \* \*

**III. CONCLUSION**

For all of the foregoing reasons, Assignee respectfully requests that the Commission grant this petition for waiver of the fee requirements of §§ 1.1102 and 1.1117(e) of the Commission's Rules in connection with the Application.

Respectfully submitted,

By: \_\_\_\_\_

Todd D. Rosenberg  
Richard J. Dyer

Counsel to US Airways, Inc., Debtor-In-Possession

Dated: September 11, 2002

O'Melveny & Myers, LLP  
1650 Tysons Boulevard, Suite 1150  
McLean, Virginia 22102  
Telephone: (703) 918-2720  
Facsimile: (703) 918-2704

**EXHIBIT 1**

See attached application.

APPLICATION FOR SATELLITE SPACE AND EARTH STATION AUTHORIZATIONS FOR  
TRANSFER OF CONTROL OR ASSIGNMENT FCC 312 MAIN FORM FOR OFFICIAL USE  
ONLY

FCC Use Only

2 APPLICANT INFORMATION

Enter a description of this application to identify it on the main menu:  
Assignment of SES - E960086 to US Airways, Inc., Debtor-in-Possession

1-8. Legal Name of Applicant

Name: US Airways, Inc.

Phone Number:

336-744-4938

DBA  
Name:

Fax Number:

336-744-6321

Street: 5630 University Parkway

E-Mail:

marshall\_swaringen@usairways.c

City: Winston Salem

State:

NC

Country: USA

Zipcode:

27105

Attention: Marshall Swaringen



9-16. Name of Contact Representative (If other than applicant)

<b>Name:</b>	Todd D. Rosenberg	<b>Phone Number:</b>	7039182720
<b>Company:</b>	O'Melveny & Myers LLP	<b>Fax Number:</b>	7039182704
<b>Street:</b>	1650 Tysons Blvd. Suite 1150	<b>E-Mail:</b>	trosenberg@omm.com
<b>City:</b>	McLean	<b>State:</b>	VA
<b>Country:</b>	USA	<b>Zipcode:</b>	22102-
<b>Contact Title:</b>	Counsel to US Airways, Inc., Debtor-in-P	<b>Relationship:</b>	Legal Counsel

CLASSIFICATION OF FILING

<p>17. Choose the button next to the classification that applies to this filing for both questions a. and b. Choose only one for 17a and only one for 17b.</p> <p><input checked="" type="radio"/> a1. Earth Station</p> <p><input type="radio"/> a2. Space Station</p>	<p>(N/A) b1. Application for License of New Station</p> <p>(N/A) b2. Application for Registration of New Domestic Receive-Only Station</p> <p>(N/A) b3. Amendment to a Pending Application</p> <p>(N/A) b4. Modification of License or Registration</p> <p><input checked="" type="radio"/> b5. Assignment of License or Registration</p> <p><input type="radio"/> b6. Transfer of Control of License or Registration</p> <p>(N/A) b7. Notification of Minor Modification</p> <p>(N/A) b8. Application for License of New Receive-Only Station Using Non-U.S. Licensed Satellite</p> <p>(N/A) b9. Letter of Intent to Use Non-U.S. Licensed Satellite to Provide Service in the United States</p> <p>(N/A) b10. Other (Please specify)</p>
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- 17c. Is a fee submitted with this application?  
 If Yes, complete and attach FCC Form 159. If No, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114).  
 Governmental Entity     Noncommercial educational licensee  
 Other (please explain): Waiver Requested for Hardship (Bankruptcy – Chapter 11)

17d.

Fee Classification A CNO – Receive Only Earth Station	Quantity	1
Fee Classification B	Quantity	0

18. If this filing is in reference to an existing station, enter: (a) Call sign of station: Not Applicable	19. If this filing is an amendment to a pending application enter: (a) Date pending application was filed: Not Applicable	(b) File number of pending application: Not Applicable
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TYPE OF SERVICE

20. NATURE OF SERVICE: This filing is for an authorization to provide or use the following type(s) of service(s). Select all that apply:

- a. Fixed Satellite
- b. Mobile Satellite
- c. Radiodetermination Satellite
- d. Earth Exploration Satellite
- e. Direct to Home Fixed Satellite
- f. Digital Audio Radio Service
- g. Other (please specify)

21. STATUS: Choose the button next to the applicable status. Choose only one.

- Common Carrier
- Non-Common Carrier

22. If earth station applicant, check all that apply.

- Using U.S. licensed satellites
- Using Non-U.S. licensed satellites

23. If applicant is providing INTERNATIONAL COMMON CARRIER service, see instructions regarding Sec. 214 filings. Choose one. Are these facilities:

- Connected to a Public Switched Network
- Not connected to a Public Switched Network
- N/A

24. FREQUENCY BAND(S): Place an "X" in the box(es) next to all applicable frequency band(s).

- a. C-Band (4/6 GHz)
- b. Ku-Band (12/14 GHz)
- c. Other (Please specify upper and lower frequencies in MHz.)  
 Frequency Lower: 3700.0000      Frequency Upper: 4200.0000

TYPE OF STATION

25. CLASS OF STATION: Choose the button next to the class of station that applies. Choose only one.

- a. Fixed Earth Station
- b. Temporary--Fixed Earth Station
- c. 12/14 GHz VSAT Network
- d. Mobile Earth Station
- e. Geostationary Space Station
- f. Non--Geostationary Space Station
- g. Other (please specify)

26. TYPE OF EARTH STATION FACILITY: Choose only one.

- Transmit/Receive
- Transmit--Only
- Receive--Only
- N/A

PURPOSE OF MODIFICATION

27. The purpose of this proposed modification is to: (Place an "X" in the box(es) next to all that apply.)

Not Applicable

ENVIRONMENTAL POLICY

28. Would a Commission grant of any proposal in this application or amendment have a significant environmental impact as defined by 47 CFR 1.1307? IF YES, submit the statement as required by Sections 1.1308 and 1.1311 of the Commission's rules, 47 C.F.R. 1.1308 and 1.1311, as an exhibit to this application. A Radiation Hazard Study must accompany all applications for new transmitting facilities, major modifications, or major amendments.

Yes  No

ALIEN OWNERSHIP Earth station applicants not proposing to provide broadcast, common carrier, aeronautical en route or aeronautical fixed radio station services are not required to respond to Items 30-34.

29. Is the applicant a foreign government or the representative of any foreign government?

Yes  No  N/A

30. Is the applicant an alien or the representative of an alien?

Yes  No  N/A

31. Is the applicant a corporation organized under the laws of any foreign government?

Yes  No  N/A

32. Is the applicant a corporation of which any officer or director is an alien or of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country?  Yes  No  N/A

33. Is the applicant a corporation directly or indirectly controlled by any other corporation of which more than one-fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country?  Yes  No  N/A

34. If any answer to questions 29, 30, 31, 32 and/or 33 is Yes, attach as an exhibit an identification of the aliens or foreign entities, their nationality, their relationship to the applicant, and the percentage of stock they own or vote.

#### BASIC QUALIFICATIONS

35. Does the Applicant request any waivers or exemptions from any of the Commission's Rules?  Yes  No  
If Yes, attach as an exhibit, copies of the requests for waivers or exceptions with supporting documents.

36. Has the applicant or any party to this application or amendment had any FCC station authorization or license revoked or had any application for an initial, modification or renewal of FCC station authorization, license, or construction permit denied by the Commission? If Yes, attach as an exhibit, an explanation of circumstances.  Yes  No

<p>37. Has the applicant, or any party to this application or amendment, or any party directly or indirectly controlling the applicant ever been convicted of a felony by any state or federal court? If Yes, attach as an exhibit, an explanation of circumstances.</p>	<p><input type="radio"/> Yes <input checked="" type="radio"/> No</p>
<p>38. Has any court finally adjudged the applicant, or any person directly or indirectly controlling the applicant, guilty of unlawfully monopolizing or attempting unlawfully to monopolize radio communication, directly or indirectly, through control of manufacture or sale of radio apparatus, exclusive traffic arrangement or any other means or unfair methods of competition? If Yes, attach as an exhibit, an explanation of circumstances</p>	<p><input type="radio"/> Yes <input checked="" type="radio"/> No</p>
<p>39. Is the applicant, or any person directly or indirectly controlling the applicant, currently a party in any pending matter referred to in the preceding two items? If yes, attach as an exhibit, an explanation of the circumstances.</p>	<p><input type="radio"/> Yes <input checked="" type="radio"/> No</p>
<p>40. If the applicant is a corporation and is applying for a space station license, attach as an exhibit the names, address, and citizenship of those stockholders owning a record and/or voting 10 percent or more of the Filer's voting stock and the percentages so held. In the case of fiduciary control, indicate the beneficiary(ies) or class of beneficiaries. Also list the names and addresses of the officers and directors of the Filer.</p>	
<p>41. By checking Yes, the undersigned certifies, that neither applicant nor any other party to the application is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Act of 1988, 21 U.S.C. Section 862, because of a conviction for possession or distribution of a controlled substance. See 47 CFR 1.2002(b) for the meaning of "party to the application" for these purposes.</p>	<p><input checked="" type="radio"/> Yes <input type="radio"/> No</p>

42a. Does the applicant intend to use a non-U.S. licensed satellite to provide service in the United States? If Yes, answer 42b and attach an exhibit providing the information specified in 47 C.F.R. 25.137, as appropriate. If No, proceed to question 43.  Yes  No

42b. What administration has licensed or is in the process of licensing the space station? If no license will be issued, what administration has coordinated or is in the process of coordinating the space station? N/A

43. Description. (Summarize the nature of the application and the services to be provided).  
(If the complete description does not appear in this box, please go to the end of the form to view it in its entirety.)

This application involves the pro forma involuntary assignment of E960086 From US Airways, Inc. to US Airways, Inc., Debtor-in-Possession.

#### CERTIFICATION

The Applicant waives any claim to the use of any particular frequency or of the electromagnetic spectrum as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and requests an authorization in accordance with this application. The applicant certifies that grant of this application would not cause the applicant to be in violation of the spectrum aggregation limit in 47 CFR Part 20. All statements made in exhibits are a material part hereof and are incorporated herein as if set out in full in this application. The undersigned, individually and for the applicant, hereby certifies that all statements made in this application and in all attached exhibits are true, complete and correct to the best of his or her knowledge and belief, and are made in good faith.



44. Applicant is a (an): (Choose the button next to applicable response.)

- Individual
- Unincorporated Association
- Partnership
- Corporation
- Governmental Entity
- Other (please specify)

45. Name of Person Signing Jennifer C. McGarey	46. Title of Person Signing Secretary
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47. Please supply any need attachments.

Attachment 1:	Attachment 2:	Attachment 3:
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WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND / OR IMPRISONMENT  
(U.S. Code, Title 18, Section 1001), AND/OR REVOCATION OF ANY STATON AUTHORIZATION  
(U.S. Code, Title 47, Section 312(a)(1)), AND/OR FORFEITURE (U.S. Code, Title 47, Section 503).

SATELLITE EARTH STATION AUTHORIZATIONS  
 FCC Form 312 – Schedule A  
 FOR OFFICIAL USE ONLY

Select one of the following

CONSENT TO TRANSFER OF CONTROL  
 CONSENT TO ASSIGNMENT OF LICENSE  
 NOTIFICATION OF TRANSFER OF CONTROL OF RECEIVE ONLY REGISTRATION  
 NOTIFICATION OF ASSIGNMENT OF RECEIVE ONLY REGISTRATION

A1. Name of Licensee (as shown on FCC 312 – Main Form)

<b>Name:</b>	US Airways, Inc.	<b>Phone Number:</b>	336-744-4938
<b>DBA Name:</b>		<b>Fax Number:</b>	336-744-6321
<b>Street:</b>	5630 University Parkway	<b>E-Mail:</b>	marshall_swaringen@usairways.c
<b>City:</b>	Winston Salem	<b>State:</b>	
<b>Country:</b>	USA	<b>Zipcode:</b>	27105 -
<b>Attention:</b>	Marshall Swaringen		

A8. List Callsign(s) of station(s) being assigned or transferred

--	--	--	--	--	--	--	--

<b>Callsign:</b> E960086	<b>Callsign:</b>	<b>Callsign:</b>	<b>Callsign:</b>	<b>Callsign:</b>	<b>Callsign:</b>	<b>Callsign:</b>
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A9. No. of station(s) listed  
1

A10. Name of Transferor/ Assignor

**Name:** N/A      **Phone Number:** 336-744-4938

**Company:** US Airways, Inc.      **Fax Number:** 336-744-6321

**Street:** 5630 University Parkway      **E-Mail:** marshall\_swaringen@usairways.c

**City:** Winston Salem      **State:** NC

**Country:** USA      **Zipcode:** 27105 -

**Contact Title:** Marshall Swaringen      **Relationship:** Other /

A15. Name of Transferee/ Assignee

<b>Name:</b>	US Airways, Inc.	<b>Phone Number:</b>	336-744-4938
<b>DBA Name:</b>		<b>Fax Number:</b>	336-744-6321
<b>Street:</b>	5630 University Parkway	<b>E-Mail:</b>	marshall_swaringen@usairways.c
<b>City:</b>	Winston Salem	<b>State:</b>	NC
<b>Country:</b>	USA	<b>Zipcode:</b>	27105 -
<b>Attention:</b>	Marshall Swaringen		

A20. If these facilities are licensed, is the transferee / assignee directly or indirectly controlled by any other entity?  Yes  
 If yes, attach as Exhibit E, a statement (including organizational diagrams where appropriate) which fully and completely identifies the nature and extent of control including: (1) the name, address, citizenship, and primary business of the controlling entity and any intermediate subsidiaries or parties, and (2) the names, addresses, citizenship, and the percentages of voting and equity stock of those stockholders holding 10 percent or more of the controlling corporation's voting stock.  No  N/A

A21. If these facilities are licensed, attach as Exhibit F, a complete statement setting forth the facts which show how the assignment or transfer will serve the public interest.

**CERTIFICATION**

1. The undersigned, individually and for licensee, certifies that all attached exhibits pertinent to Schedule A and all statement made in Schedule A of this application are true, compete and correct to the best of his/her knowledge and belief. The undersigned also certifies that any contracts or other instruments submitted herewith are complete and constitute the full agreement.

2. The undersigned represents that stock will not be delivered and that control will not be transferred until the Commission's consent has been received, but that transfer of control or assignment of license will be completed within 60 days of Commission consent. The undersigned also acknowledges that the Commission must be notified by letter within 30 days of consummation.

<p>A22. Printed Name of Licensee (Must agree with A1) US Airways, Inc.</p>	<p>A24. Title (Office Held by Person Signing) Secretary</p>
<p>A26. Printed Name of License Transferor / Assignor (Must agree with A10) US Airways, Inc.</p>	<p>A28. Title (Office Held by Person Signing) Secretary</p>
<p>A26. Printed Name of License Transferee / Assignee (Must agree with A15) US Airways, Inc., Debtor-in-Possession</p>	<p>A28. Title (Office Held by Person Signing) Secretary</p>

The assignee, US Airways, Inc., Debtor-in-Possession, is a wholly-owned subsidiary of US Airways Group, Inc., Debtor-in-Possession. The contact information for US Airways Group, Inc., Debtor-in-Possession is the same as that of the assignee.

## EXHIBIT 1

### DESCRIPTION OF TRANSACTION

US Airways, Inc., Debtor-in-Possession (“Assignee”) hereby submits its application for *pro forma* assignment of the licenses issued to US Airways, Inc. (“Licensee”) by the Federal Communications Commission (“Commission”) (the “Application”). As described below, the Application is filed in accordance with Section 25.119 of the Commission’s Rules, which requires that *pro forma* applications for assignment or transfer of control be filed when a licensee is subject to an involuntary change of ownership such as bankruptcy.

US Airways Group, Inc., (“Parent”) filed a petition for relief under Chapter 11 of Title 11 of the United States Code along with seven of its wholly owned subsidiaries in the United States Bankruptcy Court, Eastern District of Virginia, on August 11, 2002.<sup>1</sup> With these filings, the legal status of each of Parent and Licensee was converted to “Debtor-in-Possession.” Parent, Licensee and certain of their affiliates also currently hold wireless radio licenses granted to them by the Commission used in connection with their operations as commercial airlines.

The Applications are necessary under the Commission’s Rules simply to reflect the *pro forma* change in the status of the Licensee to Debtor-in-Possession pursuant to federal bankruptcy law. The bankruptcy proceeding does not change the ownership or management of the Licensee.

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<sup>1</sup> See In re US Airways Group, Inc., et al., Debtors, Chapter 11 Case No. 02-83984-91 (SSM), Hon. Stephen S. Mitchell, Jointly Administered, United States Bankruptcy Court, Eastern District of Virginia. The entities that filed bankruptcy documents that gave them Debtor-in-Possession status were (1) Parent, (2) Licensee, (3) Allegheny Airlines, Inc., (“Allegheny”), (4) PSA Airlines, Inc. (“PSA”), (5) Piedmont Airlines, Inc., (“Piedmont”), (6) MidAtlantic Airlines, Inc. (“MidAtlantic”), (7) US Airways Leasing & Sales, Inc. (“UALS”) and (8) Material Services Company, Inc. (“MSC”). None of MidAtlantic, UALS or MSC hold any FCC licenses. The referenced filings in the United States Bankruptcy Court are attached to the Application.

Pursuant to Section 1.1117 of the Commission's Rules, the parties are also filing a Petition for Waiver of Application Filing Fees & Deferral of Payment with the office of the Managing Director with respect to the application filing fees required in connection with the Application.

The assignee submits that the assignment is consistent with the public interest as the Commission's rules require notification of such transactions.



**EXHIBIT 2**

See attached bankruptcy petition.

<b>FORM B1</b>	<b>United States Bankruptcy Court</b> Eastern District of Virginia	<b>Voluntary Petition</b>
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Name of Debtor (if individual, enter Last, First, Middle): <b>US Airways Group, Inc.</b>	Name of Joint Debtor (Spouse) (Last, First Middle):
All Other Names used by the Debtor in the last 6 years (include married, maiden, and trade names): <b>USAir Group, Inc.</b>	All Other Names used by the Joint Debtor in the last 6 years (include married, maiden, and trade names):
Soc. Sec./Tax I.D. No. (if more than one, state all): <b>54-1194634</b>	Soc. Sec./Tax I.D. No. (if more than one, state all):
Street Address of Debtor (No. & Street, City, State & Zip Code): <b>2345 Crystal Drive Arlington, VA 22227</b>	Street Address of Joint Debtor (No. & Street, City, State & Zip Code):
County of Residence or of the Principal Place of Business: <b>Arlington</b>	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address):	Mailing Address of Joint Debtor (if different from street address):

Location of Principal Assets of Business Debtor (if different from street address above):

**Information Regarding the Debtor (Check the Applicable Boxes)**

Venue (Check any applicable box)

- Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.
- There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

<p style="text-align: center;"><b>Type of Debtor (Check all boxes that apply)</b></p> <p><input type="checkbox"/> Individual(s)                      <input type="checkbox"/> Railroad</p> <p><input checked="" type="checkbox"/> Corporation                              <input type="checkbox"/> Stockbroker</p> <p><input type="checkbox"/> Partnership                              <input type="checkbox"/> Commodity Broker</p> <p><input type="checkbox"/> Other _____</p>	<p style="text-align: center;"><b>Chapter or Section of Bankruptcy Code Under Which the Petition is Filed (Check one box)</b></p> <p><input type="checkbox"/> Chapter 7                      <input checked="" type="checkbox"/> Chapter 11                      <input type="checkbox"/> Chapter 13</p> <p><input type="checkbox"/> Chapter 9                      <input type="checkbox"/> Chapter 12</p> <p><input type="checkbox"/> Sec. 304 - Case ancillary to foreign proceeding</p>
<p style="text-align: center;"><b>Nature of Debts (Check one box)</b></p> <p><input type="checkbox"/> Consumer/Non-Business                      <input checked="" type="checkbox"/> Business</p>	<p style="text-align: center;"><b>Filing Fee (Check one box)</b></p> <p><input checked="" type="checkbox"/> Full Filing Fee attached</p> <p><input type="checkbox"/> Filing Fee to be paid in installments (Applicable to individuals only.) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form No. 3.</p>
<p style="text-align: center;"><b>Chapter 11 Small Business (Check all boxes that apply)</b></p> <p><input type="checkbox"/> Debtor is a small business as defined in 11 U.S.C. § 101</p> <p><input type="checkbox"/> Debtor is and elects to be considered a small business under 11 U.S.C. § 1121(e) (Optional)</p>	

**Statistical/Administrative Information (Estimates only)\***

Debtor estimates that funds will be available for distribution to unsecured creditors.

Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors

Estimated Number of Creditors	1-15	16-49	50-99	100-199	200-999	1000-over
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Estimated Assets	\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Estimated Debts	\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

THIS SPACE IS FOR COURT USE ONLY



**Annex A - Affiliate Debtors**

On the date hereof, the following affiliated entities filed petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Virginia:

1. US Airways Group, Inc.
2. US Airways, Inc.
3. Allegheny Airlines, Inc.
4. PSA Airlines, Inc.
5. Piedmont Airlines, Inc.
6. MidAtlantic Airways, Inc.
7. US Airways Leasing and Sales, Inc.
8. Material Services Company, Inc.

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
ALEXANDRIA DIVISION

-----x  
In re: :  
: Chapter 11  
US Airways Group, Inc., :  
: Case No. 02-\_\_\_\_\_  
Debtor. :  
-----x

**Exhibit "A" to Voluntary Petition**

1. The Debtor's common stock is registered under section 12 of the Securities Exchange Act of 1934. The Debtor's SEC file number is 1-8444.
2. The following unaudited financial data is derived from the Debtor's books and records as of March 31, 2002, which are unaudited. The Debtor does not certify as to the accuracy of this information.

a.	Total assets	<u>\$7,807,000,000</u>
b.	Total debts (including debts listed in 2.c., below)	<u>\$7,830,000,000</u>
c.	Debt securities held by more than 500 holders	<u>0</u>
d.	Number of shares of preferred stock:	<u>0</u> issued and outstanding <u>8,000,000</u> <sup>1</sup> authorized
e.	Number of shares common stock:	<u>68,133,000</u> <sup>2</sup> issued and outstanding <u>150,000,000</u> authorized

3. Brief description of Debtor's business:

The Company's primary business activity is the ownership of the common stock of US Airways, Inc. ("USAI"), Allegheny Airlines, Inc., Piedmont Airlines, Inc., PSA Airlines, Inc., MidAtlantic Airways, Inc., US Airways Leasing and Sales, Inc., Material Services Company, Inc. and Airways Assurance Limited, LLC (collectively, the "Wholly-Owned Subsidiaries"). The primary business activity of the Wholly-Owned Subsidiaries is the transportation of passengers, property and mail.

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<sup>1</sup> Comprised of 5,000,000 shares of Junior Preferred Stock and 3,000,000 shares of Senior Preferred Stock.

<sup>2</sup> At April 30, 2002.

4. List the names of any person who directly or indirectly owns, controls, or holds, with power to vote, 5% or more of the voting securities of Debtor:

Aon Fiduciary Counselors, Inc.  
601 Pennsylvania Avenue, N.W., Suite 900  
South Building  
Washington, D.C. 20004

Please note: The financial information contained herein is derived from unaudited sources. No certification as to its accuracy can be made.

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
ALEXANDRIA DIVISION

-----x  
In re: :  
: Chapter 11  
US Airways Group, Inc., :  
: Case No. 02-\_\_\_\_\_  
Debtor. :  
-----x

**CONSOLIDATED LIST OF CREDITORS HOLDING 30 LARGEST UNSECURED CLAIMS**

Following is a consolidated list of creditors holding the 30 largest unsecured claims, as of approximately August 2, 2002. This list has been prepared on a consolidated basis, based upon the books and records of the debtor and certain affiliated entities that have contemporaneously commenced chapter 11 cases in this Court (collectively, the "Debtors"). The Debtors believe that this list is representative of the 30 largest creditors in each of the affiliated cases. The information presented in the list shall not constitute an admission by, nor is it binding on, the Debtors.<sup>1</sup>

The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in these chapter 11 cases. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101 or (2) secured creditors, unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 30 largest unsecured claims.<sup>2</sup>

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<sup>1</sup> The Debtors will file the schedules of assets and liabilities (the "Schedules") in accordance with 11 U.S.C. § 521 and Fed. R. Bankr. P. 1007. The information contained in the Schedules may differ from the information set forth below.

<sup>2</sup> The Debtors reserve the right to identify any of the 30 largest unsecured claims in their Schedules as contingent, unliquidated, disputed and/or subject to setoff, as appropriate.

	Name of Creditor and Complete Mailing Address	Creditor's Phone and Fax Numbers	Nature of Claim	C U D S	Amount of Claim
1	J.P.MORGAN TRUST COMPANY, NATIONAL ASSOCIATION  Douglas Wilson  One Oxford Centre 301 Grant Street, Suite 1100 Pittsburgh, PA 15219 USA	Phone: (412) 291-2080  Fax: (412) 751-9301	Unsecured Facilities Loan	C	\$ 71,140,000
2	WILMINGTON TRUST COMPANY  Robert P. Hines, Jr. Financial Services Officer, Corporate Trust Rodney Square North 1100 North Market Street Wilmington, DE 19890 USA	Phone: (302) 636-6197  Fax: (302) 636-4140	Trade - Aircraft Deferred Payments	C  U D	\$ 49,989,085
3	ELECTRONIC DATA SYSTEMS CORPORATION  Doug Frederick President, Operation Solutions 5400 Legacy Drive Mail Drop H3-5C-47 Plano, TX 75024 USA	Phone: (972) 797-4069  Fax: (972) 605-4555	Trade - Contractual	C  D	\$ 46,909,431
4	STATE STREET BANK AND TRUST CO.  E. Decker Adams Vice President Global Investor Services Group Corporate Trust, P.O. Box 778 Boston, MA 02102 USA	Phone: (617) 662-1754  Fax: (617) 662-1456	Trade - Aircraft Deferred Payments	C  U D	\$ 36,114,451
5	FIRST UNION NATIONAL BANK  Robert L. Bice, II  Corporate Trust Department 401 South Tryon Street Charlotte, NC 28288 USA	Phone: (704) 715-3021  Fax: (704) 374-6682	Trade - Aircraft Deferred Payments	C  U D	\$ 16,285,791
6	GENERAL ELECTRIC CAPITAL CORP.  Ron Wainshal GE Capital Aviation Services-Structured Finance 201 High Ridge Road Stamford, CT 06927 USA	Phone: (203) 316-7560  Fax: (203) 961-6906	Trade - Aircraft Deferred Payments	C  U D	\$ 12,795,060
7	AIRLEASE  Jad Mansour  555 California Street  San Francisco, CA 94104 USA	Phone: (415) 765-1848  Fax: (415) 765-1817	Trade - Return Claims	C  D	\$ 5,814,634
8	ALLEGHENY COUNTY AIRPORT  Edward Moeller 1000 Airport Blvd.  Pittsburgh, PA 15231 USA	Phone: (412) 472-5559  Fax: (412) 472-5725	Trade - Airport Authority	N/A	\$ 4,589,836
9	CITY OF PHILADELPHIA  Leslie Turner Philadelphia International Airport  Philadelphia, PA 19153 USA	Phone: (215) 937-5480  Fax: (215) 937-5480	Trade - Airport Authority	N/A	\$ 3,167,485
10	CITY OF CHARLOTTE AIRPORT  Carrie Blackwell 5501 Re Josh Birmingham Parkway  Charlotte, NC 28219 USA	Phone: (704) 359-4023  Fax: (704) 359-4950	Trade - Airport Authority	N/A	\$ 2,566,909



	Name of Creditor and Complete Mailing Address	Creditor's Phone and Fax Numbers	Nature of Claim	C U D S	Amount of Claim
11	<b>LSG SKY CHEFS</b>  Mike Mesko 524 E Lamar Blvd  Arlington, TX 76011 USA	Phone: (817) 792-2303  Fax: (817) 792-2460	Trade -Food Service	N/A	\$ 2,542,873
12	<b>DEBIS</b>  Tim Bergin  100 Ne Third Ave Suite 800 Ft. Lauderdale, FL 33301 USA	Phone: (954) 760 7777  Fax: (954) 760 7716	Trade -Return Claims	C  D	\$ 1,830,017
13	<b>BOEING COMMERCIAL AIRPLANES</b>  Jennifer Bergsma 635 Park Ave. N. Mail Code Ms 6X Uj Attn Cashier Ms 6X Cf Renton, WA 98055 USA	Phone: (206) 655-1131  Fax: (425) 237-3830	Trade -Aircraft Parts/Maintenance	N/A	\$ 1,297,012
14	<b>AIR CARGO INCORPORATED</b>  Jenny White 1819 Bay Ridge Ave  Annapolis, MD 21403 USA	Phone: (410) 280-5568  Fax: (410) 263-8208	Trade -Cargo Handling	N/A	\$ 1,269,841
15	<b>BOEING CAPITAL</b>  Scott Nicholson  500 Naches Ave Sw 3Rd Floor Mc 6Y-14 Renton, WA 98055 USA	Phone: (425) 393-0970  Fax: (425) 393-2904	Trade -Aircraft Deferred Payments	C  U D	\$ 1,090,000
16	<b>INTERBORO SCHOOL DISTRICT</b>  Pamela Powell Philadelphia International Airport Terminal E  Philadelphia, PA 19153 USA	Phone: (610)461-6700  Fax: (610) 461-6700	Trade -Airport Authority	N/A	\$ 1,058,793
17	<b>FAIRCHILD DORNIER (NA)</b>  Ed Methot 10823 North East Entrance  San Antonio, TX 78216 USA	Phone: (210) 804-7719  Fax: (210) 824-3021	Trade -Aircraft Parts/Maintenance	N/A	\$ 907,030
18	<b>CHARLES E SMITH COMMERCIAL REALTY</b>  Vicki Lauren 2345 Crystal Drive  Arlington, VA 22202 USA	Phone: (703)769-1254  Fax: (703)769-1190	Trade -Real Estate Services	N/A	\$ 893,382
19	<b>SAN FRANCISCO AIRPORTS COMMISSION</b>  Jess Balageas San Francisco International Airport 6Th Floor Rm 644  San Francisco, CA 94128 USA	Phone: (650)821-2843  Fax: (650)821-2846	Trade -Airport Authority	N/A	\$ 841,464
20	<b>AIRPLANES GROUP</b>  Fiona Roche Aviation House  Shannon Co. Claire, Ireland	Phone: 353 61 706392  Fax: 353 86 8166392	Trade -Return Claims	C  D	\$ 798,968

	Name of Creditor and Complete Mailing Address	Creditor's Phone and Fax Numbers	Nature of Claim	C U D S	Amount of Claim
21	<b>UNITED HEALTHCARE</b>  Rory Doty 22703 Network Place  Chicago, IL 60673-1227 USA	Phone: (813)818-5613  Fax: (813)854-3359	Trade -Medical & Dental	N/A	\$ 777,096
22	<b>THE ROYAL BANK OF SCOTLAND</b>  Francis Carey Manager - Syndicated Loans Agency 135 Bishopsgate 5Th Floor London, EC2M 3UR Great Britain	Phone: 020 7648 3814  Fax: 020 7615 0106	Trade -Aircraft Deferred Payments	C  U D	\$ 753,908
23	<b>HONEYWELL INTERNATIONAL INC</b>  Lori Habeger 875 W Elliot Rd Ste 106  Tempe, AZ 85284 USA	Phone: (913)712-0400  Fax: (913)712-5867	Trade -Aircraft Parts/Maintenance	N/A	\$ 687,911
24	<b>HAMILTON SUNDSTRAND</b>  Steven Gabscheid 4747 Harrison Ave.  Rockford, IL 61125 USA	Phone: (815)394-2945  Fax: (815)394-3558	Trade -Aircraft Parts/Maintenance	N/A	\$ 608,642
25	<b>ROCKWELL COLLINS</b>  Brian J. Seeber 400 Collins Rd. Ne  Cedar Rapids, IA 52498 USA	Phone: (319)295-3293  Fax: (319)295-4092	Trade -Aircraft Parts/Maintenance	N/A	\$ 585,646
26	<b>HIGHWOODS FORSYTH LTD PARTNERSHIP</b>  Allison Saucy 380 Knollwood Street Ste 430  Winston Salem, NC 27103 USA	Phone: (336)631-9000  Fax: (336)725-1969	Trade -Aircraft Parts/Maintenance	N/A	\$ 575,746
27	<b>TOWERS PERRIN</b>  Mark Duncan 1500 Market Street  Philadelphia, PA 19102-4790 USA	Phone: (416)960-2700  Fax: (416)960-2819	Trade -Other Professional	N/A	\$ 567,848
28	<b>GREATER ORLANDO AVIATION AUTHORITY</b>  Patti Everst One Airport Blvd  Orlando, FL 32827 USA	Phone: (407)825-2017  Fax: (407)825-2259	Trade -Airport Authority	N/A	\$ 548,574
29	<b>HILLSBOROUGH COUNTY AVIATION AUTHORITY</b>  Ginny Brewer Tampa International Airport 3Rd Level  Tampa, FL 33607 USA	Phone: (813)870-8700  Fax: (813)875-6670	Trade -Airport Authority	N/A	\$ 502,340
30	<b>GOODRICH FAIRHOPE SERVICE</b>  Tammy Simmons 1300 West Ave. Alabama Service Center Goodrich Aerospace Structures Group Foley, AL 36535 USA	Phone: (251)952-3377  Fax: (251)952-3376	Trade -Aircraft Parts/Maintenance	N/A	\$ 404,727

[1] For the purposes of this list, the Debtors have not analyzed whether claims on behalf of aircraft lessors or aircraft financiers are secured or unsecured or, if secured, what portion, if any, of the total claim is an unsecured deficiency claim. Nothing herein shall constitute any admission or any way waive or limit the Debtors' rights, claims or defenses with respect to the classification or characterization of such claims.

I, an Authorized Signatory of US Airways Group, Inc., declare under penalty of perjury that I have read the above list and that it is true and correct as of the date listed, to the best of my knowledge, information and belief.

Date: August 11, 2002

Signature: /s/ David N. Siegel  
Authorized Signatory  
US Airways Group, Inc.

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA

**In re**

US Airways Group, Inc.

Case No. 02-

Chapter 11

**Debtor(s)**

**DECLARATION OF DIVISIONAL VENUE**

The debtor's domicile, residence, principal place of business or principal assets were located for the greater part of the 180 days preceding the filing of the bankruptcy petition in the indicated city or county [check one box only]:

**ALEXANDRIA DIVISION**

**Cities:**

- Alexandria-510
- Fairfax-600
- Falls Church-610
- Manassas-683
- Manassas Park-685

**Counties:**

- Arlington-013
- Fairfax-059
- Fauquier-061
- Loudoun-107
- Prince William-153
- Stafford-179

**RICHMOND DIVISION**

**Cities:**

- Richmond (city)-760
- Colonial Heights-570
- Emporia-595
- Fredericksburg-630
- Hopewell-670
- Petersburg-730

**Counties:**

- Amelia-007
- Brunswick-025
- Caroline-033
- Charles City-036
- Chesterfield-041
- Dinwiddie-053
- Essex-057
- Goochland-075
- Greensville-081
- Hanover-085
- Henrico-087
- King and Queen-097
- King George-099
- King William-101
- Lancaster-103
- Lunenburg-111
- Mecklenburg-117
- Middlesex-119
- New Kent-127
- Northumberland-133
- Nottoway-135
- Powhatan-145
- Prince Edward-147
- Prince George-149
- Richmond(county)-159
- Spotsylvania-177
- Surry-181
- Sussex-183
- Westmoreland-193

**NORFOLK DIVISION**

**Cities:**

- Norfolk-710
- Cape Charles-535
- Chesapeake-550
- Franklin-620
- Portsmouth-740
- Suffolk-800
- Virginia Beach-810

**Counties:**

- Accomack-001
- Isle of Wight-093
- Northampton-131
- Southampton-175

**NEWPORT NEWS DIVISION**

**Cities:**

- Newport News-700
- Hampton-650
- Poquoson-735
- Williamsburg-830

**Counties:**

- Gloucester-073
- James City-095
- Mathews-115
- York-199

Date: August 11, 2002

/s/ Lawrence E. Rifken

**Signature of Attorney or Pro Se Debtor**

- There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this Division.

**Signature of Joint Debtor** (if case is a joint case and debtors are not represented by an attorney)

**SECRETARY'S CERTIFICATE**

*US Airways, Group, Inc.*

I, JENNIFER C. MCGAREY, Secretary of the US Airways Group, Inc. (the "Corporation") a Delaware corporation, DO HEREBY CERTIFY, that attached hereto is a true and correct copy of the resolutions adopted by the Board of Directors (the "Board") at a meeting held on August 10, 2002, at which meeting a quorum was present and acting throughout. Such resolutions are in full force and effect on the date hereof.

I have hereunto set my hand this 11th day of August 2002.

/s/ Jennifer C. McGarey  
Jennifer C. McGarey

**RESOLUTIONS  
ADOPTED BY BOARD OF DIRECTORS OF  
US AIRWAYS GROUP, INC.**

The following resolutions were duly adopted by the Board at a special meeting duly held by telephonic conference on August 10, 2002, at which all directors present were able to speak and hear each other, and such resolutions have not been amended or rescinded and are now in full force and effect:

WHEREAS, in the judgment of the Board, it is desirable and in the best interests of US Airways Group, Inc. (the "Corporation"), its creditors, stockholders, and other interested parties that a petition be filed by the Corporation seeking relief under the provisions of chapter 11 of title 11, United States Code (the "Bankruptcy");

NOW THEREFORE BE IT RESOLVED, that David N. Siegel, Neal S. Cohen and Michelle V. Bryan or any person or persons so designated by the Board of Directors (collectively, the "Authorized Signatories," and each an "Authorized Signatory") be, and each hereby is, authorized and directed on behalf of this Corporation to execute and verify a petition in the name of the Corporation under chapter 11 of the Bankruptcy Code and to cause the same to be filed in the United States Bankruptcy Court for the Eastern District of Virginia in such form and at such time as the Authorized Signatory executing said petition on behalf of this Corporation shall determine;

FURTHER RESOLVED, that the Authorized Signatories or any one of them be, and each hereby is, authorized to execute and file or cause to be executed and filed (or direct others to do so on their behalf as provided herein) all necessary documents, including, without limitation, all petitions, affidavits, schedules, motions, lists, applications, pleadings and other papers, and in that connection to employ and retain all assistance by legal counsel, accountants or other professionals and to take any and all action which they deem necessary and proper in connection with the chapter 11 case;

FURTHER RESOLVED, that the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, New York 10036-6522, and its affiliated partnerships, be, and hereby are, employed and retained as counsel for the Corporation in the chapter 11 case;

FURTHER RESOLVED, that Seabury Advisors LLC, Seabury Securities LLC, Seabury Solutions LLC and Seabury Airport Advisory Services LLC be, and hereby are, employed and retained as financial advisors and investment bankers for the Corporation in the chapter 11 case;

FURTHER RESOLVED, that the law firm, McGuireWoods LLP be, and hereby is, employed and retained as co-counsel for the Corporation in the chapter 11 case;

FURTHER RESOLVED, that the law firm, O'Melveny & Myers LLP be, and hereby is, employed and retained as special counsel for the Corporation in the chapter 11 case;

FURTHER RESOLVED, that Logan & Company, Inc. be, and hereby is, employed and retained as claims and noticing agent for the Corporation in the chapter 11 case;

FURTHER RESOLVED, that PricewaterhouseCoopers LLP be, and hereby is, employed and retained as restructuring advisor to the Corporation in the chapter 11 case;

FURTHER RESOLVED, that KPMG LLP be, and hereby is, employed and retained as auditor and tax advisor to the Corporation in the chapter 11 case;

FURTHER RESOLVED, that all acts lawfully done or actions lawfully taken by any Authorized Signatory or any officers of the Corporation to seek relief under chapter 11 of the Bankruptcy Code or in connection with the chapter 11 case, or any matter related thereto, be, and hereby are, adopted, ratified, confirmed and approved in all respects as the acts and deeds of the Corporation;

FURTHER RESOLVED, that the Corporation as the majority stockholder of each of the subsidiaries listed on attached Schedule A (each a "Subsidiary" and collectively the "Subsidiaries"), hereby is authorized and empowered to take or cause to be taken any and all such further action and to execute and deliver or cause to be executed or delivered all such further agreements, consents, resolutions, documents, certificates and undertakings, and to incur all such fees and expenses as in their judgment shall be necessary, appropriate or advisable to cause each of the Subsidiaries to execute and verify a petition in the name of such Subsidiary under chapter 11 of the Bankruptcy Code and to cause the same to be filed in the United States Bankruptcy Court for the Eastern District of Virginia in such form and at such time as the officer executing said petition on behalf of such Subsidiary shall determine;

FURTHER RESOLVED, that the Authorized Signatories of the Corporation be, and each of them, with full authority to act without the others, hereby is, authorized, in the name and on behalf of the Corporation, to take or cause to be taken any and all such further action and to execute and deliver or

cause to be executed or delivered all such further agreements, documents, certificates and undertakings, and to incur all such fees and expenses as in their judgment shall be necessary, appropriate or advisable to effectuate the purpose and intent of any and all of the foregoing resolutions;

FURTHER RESOLVED, that in addition to the specific authorizations heretofore conferred upon the Authorized Signatories of the Corporation, each of the Authorized Signatories of the Corporation be, and they hereby are, authorized and directed to take or cause to be taken all such further actions, to execute and deliver or cause to be executed and delivered all such further certificates, agreements, instruments and documents in the name and on behalf of the Corporation and to incur all such fees and expenses as in their judgment shall be necessary or advisable in order to carry out fully the intent and purposes of the foregoing resolutions and each of them; and

FURTHER RESOLVED, that any actions taken by the Authorized Signatories or other officers of the Corporation prior to the date set forth below with respect to the matters contemplated by the foregoing resolutions are hereby ratified, confirmed and approved in all respects.



**Subsidiaries**

US Airways, Inc.

Allegheny Airlines, Inc.

PSA Airlines, Inc.

Piedmont Airlines, Inc.

MidAtlantic Airways, Inc.

US Airways Leasing and Sales, Inc.

Material Services Company, Inc.