

Neil A. Goteiner (NG 1644)
Dean M. Gloster (*Pro Hac Vice*)
Nan E. Joesten (*Pro Hac Vice*)
FARELLA BRAUN & MARTEL LLP
235 Montgomery Street
San Francisco, CA 94104
Tel: (415) 954-4400
Fax: (415) 954-4480

Objection Deadline:
July 16, 2007 at 4:00 p.m.

Guy W. Chambers (*Pro Hac Vice*)
TOWNSEND AND TOWNSEND AND CREW
Two Embarcadero Center
Eighth Floor
San Francisco, CA
94111-3834
Tel: (415) 576-0200
Fax: (415) 576-0300

Peter N. Wang (PW 9216)
FOLEY & LARDNER LLP
90 Park Avenue
New York, NY 10016
Tel: (212) 682-7474
Fax: (212) 687-2329

Counsel For Section 1114 Committee

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

DELTA AIR LINES, INC., et al.

Debtors.

Chapter 11 Case No.

05-17923 (ASH)

(Jointly Administered)

SUMMARY SHEET ACCOMPANYING FINAL FEE APPLICATION OF BARBARA NIEHUS AND MITCHELL SEROTA FOR COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD FROM OCTOBER 27, 2005 THROUGH MAY 31, 2007

Time Period for Final Application:	October 27, 2005 through May 31, 2007	
Outstanding Interim Applications:		
First	Fees Incurred:	\$47,162.50
	Expenses Requested:	\$980.37
	Covering:	October 27, 2005 through May 31, 2006
Second	Fees Incurred:	\$27,046.25
	Expenses Requested:	\$715.73
	Covering:	June 1, 2006 through September 30, 2006
Third	Fees Incurred:	\$13,090.00
	Expenses Requested:	\$0
	Covering:	October 1, 2006 through January 31, 2007
Fourth	Fees Incurred:	\$1,251.25
	Expenses Requested:	\$0
	Covering:	February 1, 2006 through May 31, 2007
TOTAL	Fees Incurred:	\$88,550.00
	Expenses Requested:	\$1,696.10

**FINAL APPLICATION OF BARBARA NIEHUS AND MITCHELL SEROTA AS
ACTUARIES FOR THE NON-PILOT SECTION 1114 COMMITTEE, FOR
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND FOR
REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES INCURRED
FROM OCTOBER 27, 2005 THROUGH MAY 31, 2007**

Barbara Niehus and Mitchell Serota, actuaries for the Section 1114 Retired Non-Pilots Committee ("Section 1114 Committee"), for their application for final allowance of compensation for professional services (the "Application") performed by Niehus and Serota for the period from October 1, 2006 through May 31, 2007 (the "Compensation Period"), and for reimbursement of their actual and necessary expenses incurred during the Compensation Period, state:

JURISDICTION

1. This Court has jurisdiction to consider this Application pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this Application is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of this case is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409,

respectively. This application requests relief pursuant to sections 330, 331, 1103 and 1114 of title 11 of the United States Code (the “Bankruptcy Code”).

GENERAL BACKGROUND AND CASE STATUS

2. On September 14, 2005, the Debtors filed for chapter 11 protection.
3. The Court appointed the Section 1114 Committee on October 27, 2005, pursuant to 11 U.S.C. § 1114(d).
4. In accordance with Section 1114(b)(1), the Section 1114 Committee is authorized in this case to represent all non-pilot retirees (and their survivors) entitled to receive statutorily defined retiree benefits from Delta who are not covered by a collective bargaining agreement.
5. The Section 1114 Committee represents approximately 36,500 non-pilot retirees, spouses and dependants of Delta Air Lines, Inc.
6. A plan and disclosure statement has been filed in this case.

SUMMARY OF PROFESSIONAL COMPENSATION AND REIMBURSEMENT OF EXPENSES REQUESTED

7. On October 6, 2005, the Court entered the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the “Compensation Order”). Among other things, the Compensation Order directed professionals to prepare monthly fee statements, and directed the Debtors to pay 80% of the fees and 100% of the expenses identified in the monthly fee statements.
8. On February 21, 2006, the Court entered the Order Authorizing Employment of Actuaries for the Section 1114 Committee (the “Employment Order”). The Employment Order allowed employment of Niehus and Serota effective as of October 27, 2005 and made the Compensation Order applicable to Niehus and Serota.
9. Pursuant to the Compensation Order, Niehus and Serota have prepared monthly fee statements. Niehus and Serota have received the following payments from the Debtor:
 - a. \$35,476.37 (80% of Oct. 27, 2005 – Jan. 31, 2006 fees and 100% of expenses)

- b. \$2,695.00 (80% of February 2006 fees)
- c. \$539.00 (80% of June 2006 fees)
- d. \$9,432.50 (20% holdback from prior period)
- e. \$3,157.00 (80% of August 2006 fees)
- f. \$19,195.73 (80% of September 2006 fees and 100% of expenses)
- g. \$1,771.00 (80% of October 2006 fees)
- h. \$5,409.25 (20% holdback from August and September 2006)
- i. \$11,319.00 (100% of December 2006 fees plus 20% of October 2006 fees)
- j. \$693.00 (80% of March 2007 fees)
- k. \$385.00 (100% of April 2007 fees)

10. This Application complies with the Amended Guidelines for Fees and Disbursements of 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, and the Amended Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals. A certification of compliance with the Local Guidelines is attached as Exhibit A.

11. Niehus and Serota seek allowance of final compensation for professional services rendered to the Section 1114 Committee during the Compensation Period totaling \$88,550.00 and for reimbursement of expenses incurred totaling \$1,696.10.

SUMMARY OF SERVICES RENDERED

12. The Committee continued negotiations regarding Delta’s benefits proposal to the 1114 Committee on August 8, 2006. In support of the Committee’s work, Ms. Niehus and Mr. Serota performed extensive actuarial analysis to calculate damages, and prepared a summary and chart of those damages for the Committee’s use. Ms. Niehus reviewed and responded to

extensive correspondence and participated in numerous conference calls with the Committee in connection with this work. Ms. Niehus and Mr. Serota worked with Delta's actuaries to finalize the claim amount calculations for retirees and survivors, and assisted with the process of correcting errors as retirees and survivors received claims notices with incorrect amounts or did not receive claims notices although they qualified for claims under the Term Sheet agreed between the Committee and Delta. Ms. Niehus and Mr. Serota also reviewed and edited materials for the Committee Web site informing retirees about the method of calculation of claim amounts.

ALLOWANCE OF COMPENSATION

13. The compensation provisions of sections 330 and 331 of the Bankruptcy Code apply to professionals employed under section 1103. Section 1114, under which the Section 1114 Committee was appointed, grants retirees' committees the same rights and duties as committees appointed under section 1103. Thus, the compensation provisions of sections 330 and 331 apply to retirees' committees and the professionals they employ.

14. Niehus and Serota have complied with the provisions of sections 330 and 331. They have only charged for actual time worked, they have charged their usual reasonable hourly rates, their services were necessary for the Section 1114 Committee, the work was performed in a reasonable amount of time, and the compensation is reasonable based on customary compensation charged by comparably skilled practitioners.¹

COMPENSATION SOUGHT

15. As the attached exhibit demonstrates, Niehus and Serota are entitled to compensation of \$88,550.00 for their professional services, and \$1,696.10 for actual and necessary expenses.

WHEREFORE, Niehus and Serota respectfully request that the Court 1) grant an allowance of final compensation for professional services rendered as actuaries to the Section

¹ Detailed time and expense records are not being filed. Such records will be distributed to the Debtors, the U.S. Trustee, and counsel for the Creditors' Committee, and are available to other parties in interest upon request.

