

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In Re: : Chapter 11 Case No.   
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PINNACLE AIRLINES CORP., : 12-11343 (REG)   
et al., :   
: (Jointly Administered)   
Debtors. :   
:   
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STIPULATED PROTECTIVE  
ORDER  
UNDER 11 U.S.C. § 1113(d)(3)

This STIPULATED PROTECTIVE ORDER (the “**Order**”) is made as of May 4, 2012 (the “**Effective Date**”) between Pinnacle Airlines Corp., having a place of business at 40 S. Main Street, Memphis, Tennessee 38103 (referred to herein, collectively with its subsidiaries, as “**Pinnacle**”), and the Transport Workers Union of America, having a principal place of business at Washington, D.C. (“**Recipient**”). Capitalized terms will have the meanings ascribed to them in this Order. The parties hereby agree that disclosures of Confidential Information by Pinnacle to the Recipient shall be governed by the following terms and conditions.

1. **Confidential Information.** For purposes of this Order, “Confidential Information” means all non-public information Pinnacle discloses or has previously disclosed to Recipient, whether written, oral, photographic, electronic, magnetic, or otherwise, whether in the form of slides, handouts, letters, memoranda, agreements, facsimile transmissions, meetings, conference and other telephone calls, diskettes, files, tapes, and/or any other mode, that, if disclosed, could compromise the position of Pinnacle relative to their competitors in the airline industry and includes, without limitation information relating to their financial and/or business operations, business ventures, strategic plans, pricing, schedules, fare structures, marketing strategies and programs, strategic insights and statistical models (including those regarding customers, prospective customers and their behavior), product plans, ideas, concepts, business plans, financial condition and projections, employee identities and information, inventions, algorithms, decision technology and/or models, processes, designs, specifications, drawings, samples, improvements, developments, applications, engineering, manufacturing and marketing data and plans, software code (object and source), security procedures and approaches, know-how, experimental work, distribution arrangements, trade secrets, and/or ideas. However, Confidential

Information does not include information as identified below in Section 8 (Exclusions).

2. **Highly Confidential Information.** In addition, Pinnacle may in good faith designate certain Confidential Information as “Highly Confidential” if it constitutes or contains non-public information pertaining to wages, benefits, work rules, or other compensation of employees of third parties, and if Pinnacle reasonably believes that such designation is necessary to ensure compliance with restrictions on Pinnacle's use of such information imposed by one or more third parties. Recipient agrees that it will not print, copy, or otherwise reproduce in any way information designated as Highly Confidential, and that it will otherwise treat Highly Confidential information as governed by the restrictions applicable to Confidential Information under this Order. Recipient may object to Pinnacle's designation of material as “Highly Confidential” according to the procedures set forth in paragraph 4, which will apply to materials designated as “Highly Confidential” in the same manner as it applies to materials designated “Confidential.” The parties agree to meet and confer to discuss the method and manner of use of Highly Confidential information in any court filing or proceeding. The Recipient reserves all rights with respect to Pinnacle's use and production of Highly Confidential information.

3. **Purpose for Disclosure.** Subject to the Limitations of Use contained in Section 5, Recipient may use Confidential Information only for the purpose of conducting its necessary due diligence and analysis of proposals, preparing counterproposals, preparing for bargaining and bargaining under 11 U.S.C. § 1113 and, if necessary, in preparing for and litigating a motion by Pinnacle and/or its subsidiaries for judicial relief under 11 U.S.C. § 1113 (the “**Business Purpose**”). Nothing herein shall restrict the Recipient's ability to keep union members informed of the status of the negotiations and/or 1113 process, provided however that such information shall not contain, disclose, refer to, or divulge Confidential Information unless (i) Pinnacle consents in writing to such disclosure, or (ii) the Union receives an Order of the Court pursuant to the procedures provided in paragraph 3 herein authorizing such disclosure. Pinnacle agrees that Recipient shall be permitted to discuss with the bargaining unit employees the general nature of the Confidential Information, or the conclusions drawn from it by the unit's agents, only to the extent necessary to fulfill the Transport Workers Union of America's duty to represent such employees fairly.

4. **Procedure.** If Pinnacle believes in good faith that information to be disclosed is Confidential Information, it may so designate that material by stamping or otherwise marking that material with the legend “CONFIDENTIAL” or by sending a letter designating the material as Confidential Information. If the Recipient objects to the designation of Confidential Information, it must so inform Pinnacle by letter, identifying the material to which the objection is addressed and the grounds for the objection. Within 5 business days of receiving such a letter,

during which time Pinnacle will make itself reasonably available to meet and confer with the Recipient either by telephone or in person, Pinnacle shall either withdraw the designation of confidentiality or apply to the Court, on an emergency basis if the Recipient so requests, for a ruling that the material sought to be protected is entitled to such status and protection. Pinnacle shall have the burden of showing good cause for protecting the material under the standard of 11 U.S.C. § 1113 (d)(3). In the event of a dispute concerning the designation of confidential material as to which application to the Court is filed within the requisite time period, the material designated as Confidential Information shall be treated as such until the Court orders to the contrary. The Recipient's acquiescence to a designation of confidentiality shall not prejudice the Recipient's right to, at a later date, object to the designation. Further, neither the Recipient's acquiescence to a designation of confidentiality nor this Order shall prejudice the Recipient's right to seek an order of this Court that would allow employees of Pinnacle's subsidiaries who are represented by the Recipient to review Confidential Information subject to the right of Pinnacle to appear and object to such request.

5. **Limitations of Use.** Recipient shall use the Confidential Information only for the Business Purpose and shall use reasonable best efforts to hold and maintain the Confidential Information in strict confidence using the same degree of care that the Recipient uses with respect to its own comparable, highly confidential, or proprietary information. Recipient hereby agrees that Recipient, its Affiliates (as defined below), its Advisors (as defined below), and any Participating Employees (as defined below) will use the Confidential Information exclusively for the purpose of the Business Purpose and, without limiting the generality of the foregoing, neither Recipient nor its Affiliates nor its Advisors nor any Participating Employees shall use any of the Confidential Information in furtherance of Recipient's business or the business of any person or entity other than Pinnacle, irrespective of whether such business competes with Pinnacle. Recipient hereby further agrees that it shall not disclose any Confidential Information to any person or entity and shall safeguard and keep secret the Confidential Information; *provided, however*, that Recipient shall be permitted to disclose Confidential Information to Recipient's officers, employees, subcontractors, and agents (collectively "**Affiliates**"), Recipient's accountants, attorneys, and other confidential advisors (collectively "**Advisors**"), and employees of Pinnacle's subsidiaries represented by Recipient who are actively participating in negotiations or preparation for court proceedings under 11 U.S.C. § 1113 ("**Participating Employees**"), but only to the extent that the Recipient reasonably determines that such Affiliates, Advisors, and Participating Employees need to know such Confidential Information for the purpose of assisting Recipient in connection with the Business Purpose. Recipient agrees to be responsible for each reasonably foreseeable breach of this Order by its Affiliates, its Advisors, or by any Participating Employees, and Recipient agrees that its Affiliates, its

Advisors, and any Participating Employees will be advised, prior to any disclosure, by Recipient of the confidential nature of such information. Any person receiving Confidential Information pursuant to this Order shall, prior to any disclosure, execute the statement contained in Appendix A agreeing to be bound by this Order. Except as provided in Sections 1 and 10, neither the Recipient nor any person receiving Confidential Information pursuant to this Order will disclose to any person or entity the existence, terms, or conditions of the Confidential Information, or any facts to the extent that such disclosure would reveal or compromise the Confidential Information.

6. **Court Filings.** If a party wishes to file with the Court any Confidential Information or any information derived therefrom, such material or information shall be filed with the Court under seal. Upon consultation, this requirement may be waived by Pinnacle, which shall be reasonable in granting such waivers as necessary to avoid needlessly burdening the record with materials and papers filed under seal.

7. **Ownership of Information.** Recipient acknowledges and agrees that any Confidential Information of Pinnacle, in whatever form, is the sole property of Pinnacle. Neither Recipient nor its Affiliates nor its Advisors nor any Participating Employees shall use any of the Confidential Information now or hereafter received or obtained from Pinnacle in furtherance of Recipient's business or the business of anyone else whether or not in competition with Pinnacle, or for any other purpose whatsoever, other than as contemplated by the Business Purpose. Recipient agrees that upon the written request of, and as directed by, Pinnacle it shall either return such Confidential Information to Pinnacle or shall destroy such Confidential Information as so directed; *provided*, that Recipient may retain in the files of its Legal Department (i) documents prepared by Recipient using Confidential Information constituting attorney-work product and/or protected by the attorney-client privilege, and (ii) documents prepared by Recipient using Confidential Information presented by Recipient to its executive board or any committee thereof or to any bargaining committee responsible for engaging in collective bargaining with Pinnacle, provided Recipient shall continue to treat such materials as Confidential Information in accordance with the terms of this Order, notwithstanding any termination thereof.

8. **Exclusions.** Recipient shall have no obligation under this Order as to Confidential Information which: (a) is known to Recipient at the time of disclosure, without obligation of confidentiality; (b) is independently developed by Recipient without reference to or use of Pinnacle's Confidential Information (or the confidential information of another party); (c) becomes known to Recipient from another source, unless the Recipient knows or reasonably believes that such other source was subject to a confidentiality restriction at the time of disclosure to Recipient; (d) is or becomes part of the public domain through no wrongful act of Recipient; (e) is disclosed in connection with collective

bargaining and is not among the items of Confidential Information specifically identified by category in Section 1 above, or (f) is disclosed publicly pursuant to any judicial or governmental request or order; provided that, unless requested not to do so by the judicial or governmental entity, Recipient takes reasonable steps to give Pinnacle sufficient prior written notice so that Pinnacle may seek (with the reasonable cooperation of Recipient and at Pinnacle's expense) a protective order to contest or limit the scope of such request or order as much as possible.

9. **Injunctive Relief.** Recipient agrees that because of the unique nature of the Confidential Information, any breach of this Agreement would cause Pinnacle irreparable harm and monetary damages and other damages available at law may be inadequate to compensate Pinnacle for such breach. Accordingly, the Recipient agrees that Pinnacle, in addition to any other remedies available to it at law or in equity, will be entitled to injunctive relief and specific performance to remedy and/or prevent any breach of this Agreement without proof of actual damages and without any requirement to post a bond or provide other security. Nothing herein shall be held to waive any defense or counterclaim that the Recipient may assert in connection with any cause of action or application for injunctive relief filed with respect to Recipient's obligations under this Agreement.

10. **Compelled Disclosure.** If Recipient or any of its Affiliates, its Advisors, or Participating Employees is legally compelled (whether by regulatory request, deposition, interrogatory, request for documents, subpoena, civil investigation, demand or similar process) to disclose any Confidential Information (including the fact that discussions or negotiations are taking place with respect to the Business Purpose), Recipient shall immediately notify Pinnacle in writing of such requirement so that Pinnacle may seek a protective order or other appropriate remedy and/or waive compliance with the provisions hereof. Recipient will use its best efforts, at Pinnacle's expense, to obtain or assist Pinnacle in obtaining any such protective order. Failing the entry of a protective order or the receipt of a waiver hereunder, Recipient may disclose, without liability hereunder, that portion (and only that portion) of the Confidential Information that Recipient has been advised by written opinion of Recipient's counsel that it is legally compelled to disclose; *provided, however*, that Recipient agrees to use its best efforts to obtain assurance, at no cost to Recipient, that confidential treatment will be accorded such Confidential Information by the person or persons to whom it is disclosed.

11. **Securities Law Compliance.** Recipient acknowledges and is aware, and it will advise its Affiliates, its Advisors, and any Participating Employees who are informed as to the matters which are the subject of this Order, that federal and many state securities laws prohibit any person who has received from an issuer material, nonpublic information from purchasing or selling securities of such issuer or from communicating such information to any other

person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

12. **General.** No waiver of any breach or default shall be deemed or construed to constitute a waiver of any other violation or other breach of any of the terms, provisions, and covenants contained in this Order, and forbearance to enforce one or more of the remedies provided on an event of default will not be deemed or construed to constitute a waiver of the default or of any other remedy provided for in this Order.

IN WITNESS WHEREOF, a duly authorized representative of each party hereby stipulates to entry of this Order as of the date first written above.

PINNACLE AIRLINES CORP.

TRANSPORT WORKERS  
UNION OF AMERICA

By: \_\_\_\_\_  
John Spanjers

By: \_\_\_\_\_  
Gary Shults

Executive Vice President and  
Chief Operating Officer

TWU International  
Representative Assigned to  
Local 540, Representing  
Pinnacle Dispatchers

Dated: New York, New York  
June 20, 2012

SO ORDERED.

By: s/ *Robert E. Gerber*  
THE HONORABLE ROBERT E. GERBER  
UNITED STATES BANKRUPTCY JUDGE

**APPENDIX A**

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

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<b>In re:</b>	:
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	: <b>Chapter 11</b>
<b>PINNACLE AIRLINES CORP., et al.,</b>	:
	: <b>Case No. 12-11343(REG)</b>
	:
<b>Debtors.</b>	: <b>(Jointly Administered)</b>
	:
	: <b>STIPULATED PROTECTIVE</b>
-----	x <b>ORDER</b>

**CERTIFICATION**

1. My name is \_\_\_\_\_.
2. My business address is \_\_\_\_\_.
3. I am employed as (state position) \_\_\_\_\_
4. by (state name and address of employer) \_\_\_\_\_.
5. I have read the Stipulated Protective Order executed by Pinnacle Airlines Corp. and the Transport Workers Union of America (the "Order"). I understand the Order and agree to be bound by its terms.
6. I declare under penalty of perjury that the foregoing is true and correct.

Executed this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by

\_\_\_\_\_  
Signed: \_\_\_\_\_