

IN THE UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION

In re: ) Chapter 11  
ATA Holdings Corp., et al.,<sup>1</sup> ) Case No. 04-19866  
) (Jointly Administered)  
Debtors. )

**JOINT MOTION OF ATA AND FLYING FOOD GROUP LLC TO  
ALLOW CLAIM AND AUTHORIZE ENTRY INTO NEW AGREEMENT**

ATA Airlines, Inc. ("ATA") moves the Court (this "Motion") to allow the prepetition claim of Flying Food Group, LLC ("FFG") and to authorize ATA to enter into a new agreement with FFG.

1. ATA and FFG were parties to a certain contract under which FFG sold and delivered to ATA catering products and services (the "Prepetition Agreement"). The Prepetition Agreement was rejected pursuant to the Order confirming the First Amended Joint Chapter 11 Plan For Reorganizing Debtors (the "Plan") entered January 31, 2006. However, ATA and FFG have continued their relationship under terms agreed to under the Order Approving Agreed Entry with Flying Foods for Post Petition Services entered January 12, 2005 (the "Order Approving Agreed Entry").

2. Prior to the Petition Date, FFG claims and ATA agrees that FFG was owed \$1,242,399.18 representing unpaid invoices under the Prepetition Agreement (the "Prepetition Claim").

3. The services provided by FFG are significant to ATA's business operations and ATA desires to retain FFG's services.

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<sup>1</sup> The Debtors are the following entities: ATA Holdings Corp. (04-19866), ATA Airlines, Inc. (04-19868), Ambassador Travel Club, Inc. (04-19869), ATA Leisure Corp. (04-19870), Amber Travel, Inc. (04-19871),

4. ATA and FFG desire to settle matters between them related to the Prepetition Claim and the Prepetition Agreement and have negotiated a settlement agreement (the "Settlement Agreement"), attached as Exhibit 1 to this Motion (Exhibit A to the Settlement Agreement has been requested to be filed under seal). The Settlement Agreement contemplates the execution by ATA and FFG of a new agreement for the services provided to ATA by FFG ("New Agreement"). The New Agreement contains terms and conditions that in ATA's business judgment are fair and represent market terms for similar contracts. As an incentive to secure the participation of FFG in this new business arrangement, ATA and FFG, upon the execution of the New Agreement, ATA and FFG intend to release and discharge each other and their respective members, principals, agents, accountants, attorneys, employers, representatives, predecessors, successors, assigns, affiliates, co-debtors, affiliated debtors, officers and directors, as applicable, from any and all claims, counterclaims, rights, demands, costs, damages, losses, liabilities, attorneys' fees, actions and causes of action whatsoever, whether known or unknown, liquidated, fixed, contingent, material, immaterial, disputed, undisputed, legal or equitable arising from or related to the Prepetition Agreement or other conduct by either party through and including the later of the date of an order approving the Settlement Agreement or the Effective Date including any and all actions (including avoidance actions) under Chapter 5 of the Bankruptcy Code, excepting that FFG shall retain its right to payment under the Plan on the Prepetition Claim.

5. No prior request for the relief requested has been sought by ATA or FFG.

6. Notice. Pursuant to the Case Management Order entered in these chapter 11 cases, this Motion may be set for hearing on the next omnibus date that is no less than 20 days after the filing date of this Motion, however, if no objections are filed within that 20 day period,

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American Trans Air Execujet, Inc. (04-19872), ATA Cargo, Inc. (04-19873), and Chicago Express Airlines, Inc. (04-19874).

the Court may consider and enter an order approving this Motion without further notice or hearing.

WHEREFORE, ATA requests that the Court, after notice and hearing if required, enter an order:

- a. Approving the Settlement Agreement;
- b. Allowing the Prepetition Claim of FFG as a general unsecured claim in the amount of \$1,242,399.18;
- c. Authorizing ATA to execute the New Agreement; and
- d. For all other just and proper relief.

**FLYING FOOD GROUP, LLC**

**IN RE: ATA HOLDINGS CORP., ATA AIRLINES, INC., AMBASSADAIR TRAVEL CLUB, INC., ATA LEISURE CORP., AMBER TRAVEL, INC., AMERICAN TRANS AIR EXECUJET, INC., ATA CARGO, INC., CHICAGO EXPRESS AIRLINES, INC., (THE "DEBTORS")**

By: /s/ David E. Becker  
Counsel for Flying Food Group, LLC

By: /s/ Terry E. Hall  
Counsel for the Debtors

Richard M. Bendix, Jr.  
Richard T. Reibman  
David E. Beker  
Schwartz, Cooper, Greenberger  
& Krauss, Chtd.  
180 N. LaSalle St., Suite 2700  
Chicago, IL 60601  
(312) 346-1300

James M. Carr  
Terry E Hall  
Baker & Daniels LLP  
300 N. Meridian St., Suite 2700  
Indianapolis, IN 46204  
(317) 237-0300

Deborah Caruso  
Dale & Eke, P.C.  
9100 Keystone Crossing  
Suite 400  
Indianapolis, IN 46240  
(317) 844-7400

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing was served this 30<sup>th</sup> day of March, 2006, by electronic mail on the Core Group, 2002 List, Appearance List, and counsel for Flying Food Group, LLC.

/s/ Terry E. Hall