

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-BHL-11
	)	(Jointly Administered)
Debtors.	)	

**BAKER & DANIELS LLP'S FINAL APPLICATION FOR FEES AND EXPENSES AS  
COUNSEL FOR LIQUIDATING DEBTOR C8 AIRLINES, INC.**

Baker & Daniels LLP ("Baker & Daniels") submits its final application ("Final Application") for the allowance and payment of its fees and expenses as counsel for debtor C8 Airlines, Inc. ("C8" or "Liquidating Debtor") pursuant to the Billing and Payment Order<sup>2</sup>. In support of this application, Baker & Daniels states as follows:

1. Debtors, including the Liquidating Debtor, filed their respective voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code on October 26, 2004 (the "Petition Date") commencing these cases (the "Chapter 11 Case(s)"). This Court, by order dated December 10, 2004, approved the Debtors' retention of Baker & Daniels as counsel.

2. On June 12, 2006, this Court by order (the "Confirmation Order") (docket #4150) confirmed the reorganization plan for Liquidating Debtor (the "Plan"). The Plan became effective on June 12, 2006. This Final Application, covering the period January 1, 2006 through and including June 12, 2006, is filed pursuant to paragraph 2.3 of the Confirmation Order and

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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), American Trans Air Execujet, Inc. (04-19872), ATA Cargo, Inc. (04-19873), and C-8 Airlines, Inc., formerly named Chicago Express Airlines, Inc. (04-19874).

<sup>2</sup> Order Granting Motion to (I) Approve Procedures For Billings By And Payments To Professionals Retained In This Case For Fees And Expenses Incurred And (II) Approve Procedures And Partial Deferral Of Draw Down Of Retainer Paid To Professionals Retained In This Case Until Requested By Debtors, entered by the Court on December 10, 2004 (docket # 713).

seeks final allowance of the interim fees and expenses previously approved by this Court for the time period January 1, 2006 through January 31, 2006 (the "Interim Compensation Period"); final allowance of the fees and expenses charged and incurred by Baker & Daniels since its last application or that have not previously been included on an application through June 12, 2006 (the "Current Compensation Period"); and an order directing that all amounts approved by this Court and remaining unpaid or not reimbursed to Baker & Daniels be paid by the Liquidating Debtor.

3. Current Compensation Period. In the course of its representation of the Liquidating Debtor, Baker & Daniels performed a variety of services, all of which are described in detail in the billing statements attached as Exhibit A.<sup>3</sup> The services performed by Baker & Daniels for and on behalf of the Liquidating Debtor throughout the Chapter 11 Case include, but are not limited to the following:

- (a) **General Case Administration.** This category consists primarily of work discharged by paralegals, and includes the accumulation, organization, retention and distribution of information for reporting purposes, the preparation of pleadings and notices, preparation for hearings, as well as for parties in interest, assembly of, filing, and maintenance of files concerning the numerous pleadings filed in the case, communications with attorneys regarding appearance and interventions to make sure that all counsel, particularly from outside this district, properly were made part of the Court's intervenor's list and were properly included upon the Debtor's service list, review and calendaring of orders and notices, and communications with the Court regarding the entry and distribution of same. At times this category also includes work discharged by attorneys interacting with the Court and the Clerk's office to ensure that matters are handled efficiently and within the rules.

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<sup>3</sup> Baker & Daniels' final fee application for its services to the Reorganizing Debtors was approved by this Court on June 12, 2006 (docket #4156).

- (b) **Asset Disposition.** Baker & Daniels assisted the Liquidating Debtor and its parent company in numerous ways including identification, strategy, and analysis of business components and the business as a whole in determining the benefits of asset disposition, including extensive negotiation with potential and chosen bidders and concluding the sale of substantially all of the assets of C8 and other assets of the Debtors used in the operations of C8.
- (c) **Business Operations.** Baker & Daniels worked closely with the Liquidating Debtor and its parent concerning matters generally related to ongoing operations including assistance in analyzing the economics of continuing or discontinuing operations; identifying strategies for disposition of the operations and or assets; drafting procedures for disposition of the assets; and responding to objections.
- (d) **Claims Administration And Objection.** Baker & Daniels assisted and advised the Liquidating Debtor with preliminary analysis and reconciliation of numerous prepetition claims and prepared for and defended objections to administrative claim assertions. Baker & Daniels has also undertaken review and evaluation of retained actions, including potential avoidance actions, in compliance with the confirmed Plan.
- (e) **Plan and Disclosure Statement.** Baker & Daniels concentrated much of its work in assisting the Liquidating Debtor in formulating and revising its Plan and accompanying disclosure statement. These efforts included coordinating and negotiating with many of the key constituents in these cases, and negotiating and successfully resolving objections raised to the proposed Plan and disclosure statement. The Plan was approved on June 12, 2006 and became effective that same day.

4. Baker & Daniels has reviewed its detailed summary of time, and has attempted to eliminate double billing for conference time between two Baker & Daniels' timekeepers, except where the participation of the timekeepers has demonstrable value to the estate. The designation of "NC" or "\$0.00" after a description of services means that the time expended was not charged for the services listed. Where possible and efficient, Baker & Daniels

encourages the use of lesser billing rate attorneys to perform labor intensive tasks, with oversight and review by more experienced attorneys.

5. Exhibit A provides the detail of the time and hourly billing rates for each attorney, law clerk or paralegal of Baker & Daniels who has performed services in these cases and for which no previous detail has been provided. Exhibit A does not include the detail of services performed and submitted on previous fee applications (see docket #4064, Exhibit A), as such detail was filed with the previous fee applications and is available through the Court's website and the Notice Agent's website [www.bmccorp.net/ata](http://www.bmccorp.net/ata).

6. A summary of the fees for the Current Compensation Period for each Baker & Daniels' attorney, law clerk or paralegal and the number of hours worked for each individual, the billing rate requested and the total fees claimed is set forth below, segregated into separate matters for accounting and billing purposes.

<b>Attorney/Paralegal Name</b>	<b>Hours</b>	<b>Rate</b>	<b>Total Fee</b>
JMCarr	(Feb-Jun) 5.5	\$440.00	\$2,420.00
SAClaffey	(Feb-Jun) 1.5	\$425.00	\$637.50
TEHall	(Feb-Jun) 98.5	\$230.00	\$22,655.00
JCNelson	(Feb-Jun) 28.3	\$185.00	\$5,235.50
LTPerry	(Feb-Jun) 34.0	\$165.00	\$5,610.00
<b>TOTALS</b>	<b>167.8</b>		<b>\$36,558.00</b>

7. Baker & Daniels has advanced the sum of \$0.72 for out-of-pocket expenses incurred on behalf of the Debtors during the Current Compensation Period. Detail of the expenses advanced for the Interim Compensation Period has been previously filed and is available at the Court's website and at the Notice Agent's website [www.bmccorp.net/ata](http://www.bmccorp.net/ata). A summary of the out-of-pocket expenses incurred by Baker & Daniels for the Current Compensation Period is set forth in Exhibit A.

8. Baker & Daniels has established certain task codes that cause related time to be grouped together to facilitate the review of fees by the Court, the United States Trustee, and the Liquidating Debtor's creditors. Set forth below is a summary of the aggregate billings under the established task codes for the period of February 1, 2006 through and including June 12, 2006.

<b>Task Description</b>	<b>Hours</b>	<b>Value</b>
Asset Analysis and Recovery [B001]	17.0	\$2,922.00
Business Operations [B003]	0.3	\$55.50
Case Administration [B004]	3.6	\$962.00
Claims Administration and Objections [B005]	33.4	\$7,855.00
Fee/Employment Applications [B007]	5.8	\$1,022.00
Litigation [B010]	1.9	\$836.00
Plan and Disclosure Statement [B012]	104.8	\$22,480.50
Data Analysis [B017]	1.0	\$425.00
<b>TOTALS</b>	<b>167.8</b>	<b>\$36,558.00</b>

9. In summary, Baker & Daniels requests final allowance of compensation for attorneys' fees and reimbursement of expenses as follows:

<b>Application</b>	<b>Attorneys' Fees</b>	<b>Expenses</b>
Baker & Daniels' Fourth Quarterly Application For Fees And Expenses As Counsel For The Debtors And Final Application As Counsel For The Reorganizing Debtors [as to the Liquidating Debtor]	\$14,166.00	\$0.00
Baker & Daniels LLP's Final Application For Fees And Expenses As Counsel For Liquidating Debtor C8 Airlines, Inc.	\$36,558.00	\$0.72
<b>TOTALS</b>	<b>\$50,724.00</b>	<b>\$0.72</b>

10. Baker & Daniels has received the following payments on account of its attorneys' fees and expenses:

<b>Application</b>	<b>Attorneys' Fees</b>	<b>Expenses</b>
Baker & Daniels' Fourth Quarterly Application For Fees And Expenses As Counsel For The Debtors And Final Application As Counsel For The Reorganizing Debtors [as to the Liquidating Debtor]	\$14,166.00	\$0.00
Baker & Daniels LLP's Final Application For Fees And	\$29,246.40	\$0.72

Expenses As Counsel For Liquidating Debtor C8 Airlines, Inc.		
<b>TOTALS</b>	<b>\$43,412.40</b>	<b>\$0.72</b>

These payments have been made pursuant to the Billing and Payment Order and the orders of this Court approving fee applications of the Debtors and at the direction of the Liquidating Debtors.

11. Other than the payments described above, no payments have been made or promised to Baker & Daniels for services rendered or to be rendered in any capacity in connection with these cases for the services provided to the Liquidating Debtor and described in this Final Application.

12. Upon approval of the Final Application, Baker & Daniels requests this Court authorize payment of the fees and expenses pursuant to the Billing and Payment Order from the estate of the Liquidating Debtor.

13. No agreement or understanding exists between Baker & Daniels and any other person or entity for the sharing of compensation received for services rendered in connection with these cases.

14. All services rendered and all expenses incurred for which compensation or reimbursement is sought have been rendered or incurred exclusively on behalf of the Liquidating Debtor and represent necessary and proper expenses.

WHEREFORE, Baker & Daniels requests that the Court enter an order

- (a) approving and granting final allowance and award of fees of \$36,558.00 for compensation of professional services rendered to the Liquidating Debtor during the period February 1, 2006 through and including June 12, 2006;
- (b) approving and granting final allowance and award of out-of-pocket expenses of \$0.72 incurred in connection with professional

services rendered to the Liquidating Debtor during the period February 1, 2006 through and including June 12, 2006;

- (c) granting final allowance and award of fees of \$14,166.00 for compensation of professional services to the Liquidating Debtor during the period January 1, 2006 through January 31, 2006, which compensation was previously awarded to Baker & Daniels' on an interim basis pursuant to an order of this Court;
- (d) authorize Baker & Daniels to be paid from the estate of the Liquidating Debtor; and
- (e) grant to Baker & Daniels all other proper relief.

Respectfully submitted,

BAKER & DANIELS LLP

By: /s/James M. Carr

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### **CERTIFICATE OF SERVICE**

The undersigned certifies that a copy of the foregoing Application was served by electronic mail on this 11<sup>th</sup> day of August, 2006, upon the Core Group, 2002 List and Appearance List.

/s/ James M. Carr