

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

In re:) Chapter 11
)
ATA Holdings Corp., et al.,¹) Case No. 04-19866-BHL-11
) (Jointly Administered)
Debtors.)
_____)

**STIPULATION RESOLVING
AVOIDANCE CLAIMS AND ADVERSARY PROCEEDING AGAINST
LOGISTECHS, INC. N/K/A GE COMMERCIAL AVIATION SERVICES LLC**

ATA Holdings Corp., et al., as debtors and debtors-in-possession (collectively, the “Debtors”) and Logistechs, Inc. n/k/a GE Commercial Aviation Services LLC (collectively, “GECAS”), by their respective counsel, hereby stipulate and agree as follows (the “Stipulation”):

RECITALS

A. The Debtors filed voluntary petitions under chapter 11 of the Bankruptcy Code on October 26, 2004 (the “Petition Date”). On January 31, 2006, the Court entered an order confirming the Debtors’ First Amended Joint Chapter 11 Plan For Reorganizing Debtors (the “Plan”). On February 28, 2006, the Plan became effective in accordance with its terms.

¹ The Debtors are the following entities: ATA Holdings Corp. (04-19866), ATA Airlines, Inc. (04-19868), Ambasadair 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 C8 Airlines, Inc., f/k/a Chicago Express Airlines, Inc. (04-19874).

B. Prior to the Petition Date, the Debtors and GECAS were parties to a professional services agreement, pursuant to which Debtors generally engaged GECAS to provide analysis and recommendations with respect to material planning services, evaluation of sourcing option services and systems analysis services.

C. On or around April 25, 2006, Debtors, through counsel, made a written demand for recovery from GECAS of certain transfers paid by Debtors to GECAS on account of antecedent debt within ninety (90) days of the Petition Date aggregating \$140,749.99 (the “Transfers”) and thereafter further asserted against GECAS other potential claims against GECAS under chapter 5 of the Bankruptcy Code (collectively, the “Avoidance Claims”). GECAS has asserted defenses to the Avoidance Claims.

D. On October 25, 2006, ATA Airlines, Inc., through counsel, initiated an adversary proceeding against GECAS, captioned “ATA Airlines, Inc. vs. Logistechs, Inc., n/k/a. GE Commercial Aviation Services,” Adversary Proceeding No. 06-50612, asserting the Avoidance Claims and seeking to avoid and recover the Transfers (the “Adversary Proceeding”).

E. After extensive negotiation, the Debtors and GECAS have reached an agreement whereby GECAS will pay the Debtors the sum of \$15,000 in full and final settlement of, inter alia, the Adversary Proceeding and Avoidance Claims.

F. The Debtors believe that this agreement is in the best interests of the Debtors, their estates and their creditors and respectfully request that the Court approve this Stipulation, the terms of which are set forth below.

AGREEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the Debtors and GECAS as follows:

1. In full and final settlement of the Adversary Proceeding and the Avoidance Claims, GECAS shall pay to Debtors in the sum of \$15,000, to be received by Debtors within fifteen (15) business days after an order by the Court approving this Stipulation has become a final order pursuant to Rule 8002(a) of the Federal Rules of Bankruptcy Procedure.

2. Other than as set forth herein, GECAS and the Debtors (collectively, the “Parties”) mutually agree to waive and release any and all other claims, rights, defenses, counterclaims or actions in respect of or in any way related to prepetition obligations relating to the Agreement, including any and all rights of the Debtors set forth in chapter 5 of the Bankruptcy Code.

3. Upon entry of an order approving this Stipulation, by separate order in the Adversary Proceeding, without further notice, the Court shall enter an order dismissing the Adversary Proceeding, the proposed form of which order is attached hereto as Attachment 1.

4. The Parties agree that the date by which GECAS is required to answer or otherwise plead in the Adversary Proceeding is extended: (i) in the event the Court enters an order approving this Stipulation, sine die, or (ii) in the event the Court enters an order declining to approve this Stipulation, up to and through the thirtieth (30) day after the entry of such order.

5. Each undersigned counsel represents that he or she is authorized to execute this Stipulation on behalf of his or her respective clients.

6. This Stipulation is the entire agreement between the Parties with respect to the subject matter of this Stipulation. All representations, warranties, inducements, and/or statements of intention made by the Parties are embodied in this Stipulation, and no party hereto relied upon, shall be bound by, or shall be liable for any alleged representation, warranty, inducement, or statement of intention that is not expressly set forth in this Stipulation.

7. This Stipulation may be executed in multiple counterparts, any of which may be transmitted by facsimile, and each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

8. This Stipulation may not be modified, altered, amended or vacated without the written consent of both Parties.

9. The Court shall retain jurisdiction to resolve any disputes or controversies arising from or related to this Stipulation. Any motion or application brought before the Court to resolve a dispute arising from or related to this Stipulation shall be brought on proper notice and in accordance with the relevant Federal Rule of Bankruptcy Procedure and the local rules of this Court.

10. This Stipulation shall inure to the benefit of and be binding upon the Parties as well as all creditors, administrative claimants and parties-in-interest and their successors and assigns.

11. Except with respect to those agreements set forth in paragraph 4 hereof, this Stipulation shall not become effective, and neither GECAS nor the Debtors shall be bound by the terms thereof, unless and until the Court enters an order approving the Stipulation.

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12. Entry of an Order approving this Stipulation authorizes both Parties to execute such documents and perform such actions as are necessary to effectuate the terms of this Stipulation without further Order of the Court.

DATED: December 13, 2006

ATA HOLDINGS CORP., et al.,
as debtors and debtors-in-possession,

By: /s/ Wendy W. Ponader
Wendy W. Ponader, One Of Their Counsel

Co-Counsel for the Debtors
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DATED: December 13, 2006

Logistechs, Inc. n/k/a GE Commercial
Aviation Services LLC

By: /s/ Wendy D. Brewer
Wendy D. Brewer, One Of Their Counsel

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Certificate of Service

The undersigned hereby certifies that a copy of the foregoing was served this 13th day of December 2006, by electronic mail on the core Group, 2002 List, Appearance List and Logistechs, Inc. n/k/a GE Commercial Aviation Services LLC.

/s/ Wendy W. Ponader_____

Attachment 1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

IN RE ATA HOLDINGS CORP., et al., ²)	Bankruptcy Case No. 04-19866
)	(Jointly Administered)
Debtors.)	
)	Chapter 11
)	
)	Judge Basil H. Lorch III
<hr/> ATA AIRLINES, INC.)	
)	
Plaintiff,)	
)	
v.)	Adversary Proceeding No. 06-50612
)	
LOGISTECHS, INC., n/k/a)	
GE COMMERCIAL AVIATION)	
SERVICES)	
)	
Defendant.)	
)	

ORDER OF DISMISSAL

² The Debtors are the following entities: ATA Holdings Corp. (04-19866), ATA Airlines, Inc. (04-19868), Ambasadair 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 Chicago Express Airlines, Inc. (04-19874).

This matter having come before the Court upon the “Stipulation Resolving Avoidance Claims and Adversary Proceeding Against Logistechs, Inc. n/k/a GE Commercial Aviation Services LLC” (the “Stipulation”) filed on December 13, 2006, in the ATA Airlines, Inc. bankruptcy case jointly administered under Case No. 04-19866-BHL-11; the Court finds that proper and adequate notice of the Stipulation and the opportunity to object has been given to all parties entitled thereto; given entry of the Order approving the Stipulation entered in jointly administered Case No. 04-19866-BHL-11 on _____, ____; and the Court being otherwise duly advised in the premises;

IT IS HEREBY ORDERED that this adversary proceeding no. 06-50612 is hereby dismissed with prejudice, with the parties respectively to pay their own costs.

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Requested by:

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