

**EXHIBIT B**

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. )

**STIPULATION REGARDING SECTION 1110(b) EXTENSION**

ATA Airlines, Inc. f/k/a American Trans Air, Inc. and Chicago Express Airlines, Inc., debtors-in-possession in the above captioned chapter 11 cases (collectively, the “Airlines” and, together with the other debtors-in-possession in the above captioned chapter 11 cases, the “Debtors”), and the aircraft financing parties set forth on Exhibit A hereto (each an “Aircraft Creditor” and, if more than one, collectively, the “Aircraft Creditors”) hereby stipulate and agree as follows:

1. On October 26, 2004 (the “Petition Date”), the Debtors each filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

2. The Airlines have the right to use the aircraft described on Exhibit A hereto and all engines, appliances and related parts and equipment, and all records, logs and documents relating thereto and any separately financed engines described on Exhibit A hereto (collectively, referred to herein as the “Aircraft Equipment”) pursuant to certain financing arrangements with the Aircraft Creditors (the “Aircraft Agreements”).

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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 Chicago Express Airlines, Inc. (04-19874).

3. The Aircraft Equipment may constitute “equipment” within the meaning of Section 1110(a)(3)(A)(i) of the Bankruptcy Code. Accordingly, the Aircraft Equipment and the Aircraft Agreements, may be entitled to the protections of Section 1110 of the Bankruptcy Code, *provided, however*, that the Airlines reserve all rights and defenses to challenge whether the Aircraft Equipment constitutes “equipment” within the meaning of Section 1110. Entry of this Stipulation shall not be deemed to constitute an admission by the Airlines that the Aircraft Equipment constitutes “equipment” within the context of Section 1110.

4. Pursuant to Section 1110(b) of the Bankruptcy Code and in the event the Aircraft Equipment is “equipment” under Section 1110, the Airlines have requested the Aircraft Creditors extend the 60-day period set forth in Section 1110(a)(2) of the Bankruptcy Code (the “Section 1110 Period”). The Aircraft Creditors have agreed to this extension, subject to the Airlines complying with each and every term of this Stipulation.

5. The Section 1110 Period is hereby extended, for all purposes, effective December 24, 2004<sup>2</sup> until 11:59 p.m. Indianapolis time on January 31, 2005 (the “Initial Extension Period”); provided, however, that the Airlines may provide written notice to the Aircraft Creditors on or before January 21, 2005 of a further extension from January 31, 2005 until 11:59 p.m. Indianapolis time on February 28, 2005 (the “Renewal Extension Period” and together with Initial Extension Period, the “Extension Period”). If the Airlines do not provide the Aircraft Creditors with notice of extension of the Initial Extension Period, then the Airlines shall provide the Aircraft Creditors with written notice on or before January 21, 2005 of rejection of the Aircraft Equipment on the expiration of the Initial Extension Period or such earlier date as the Airlines and the Aircraft Creditors may agree. In the event of rejection of the Aircraft Equipment, the Airlines and the Aircraft Creditors shall mutually agree upon a United States

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<sup>2</sup> The Airlines chose December 24, 2004 out of an abundance of caution, but reserve the right to contend that the relevant 60 day periods contemplated by § 1110 of the Bankruptcy Code do not expire until December 27, 2004.

location for return of the Aircraft Equipment.

6. The Aircraft Creditors represent and warrant that they have full authority under the Aircraft Agreements and related controlling documents to enter into this Stipulation and otherwise authorize the Airlines' continued use of the Aircraft Equipment.

7. In consideration of the extension, the Airlines will pay to the Aircraft Creditors, or representative thereof as identified in writing to the Airlines, the amounts set forth on Exhibit B hereto on the dates set forth therein. Such payments will be made and applied in accordance with the terms of the Aircraft Agreements and shall not be subject to disgorgement or clawback on any grounds. By accepting these payments the Aircraft Creditors do not waive any right to receive the full amounts due under the Aircraft Agreements accruing through January 31, 2005 or thereafter.

8. Notwithstanding anything in the Bankruptcy Code to the contrary, including the provisions of Section 365(d)(10) of the Bankruptcy Code (to the extent applicable), except as specifically provided in paragraph 7 of this Stipulation, the Airlines will not be obligated to make any payments under the Aircraft Agreements or with respect to the Aircraft Equipment during the Extension Period.

9. The parties hereby agree and acknowledge that this Stipulation does not constitute an agreement to perform all obligations under the Aircraft Agreements under Section 1110(a) of the Bankruptcy Code. The parties also agree and acknowledge that this Stipulation does not constitute an assumption of the Aircraft Agreements under Section 365(a) of the Bankruptcy Code (to the extent such section is applicable) and nothing contained herein shall be construed to constitute such an agreement or assumption. The Aircraft Creditors agree that they shall not assert in any judicial proceeding that this Stipulation constitutes such an agreement or assumption.

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10. Except as otherwise provided herein, this Stipulation does not otherwise limit or affect the rights, remedies, or claims of the Aircraft Creditors, if any, under other provisions of the Bankruptcy Code.

11. The Airlines and the Aircraft Creditors agree that this Stipulation do not otherwise affect any term or provision of the Aircraft Agreements except as expressly set forth in this Stipulation, and that both parties reserve all of their respective rights and remedies with respect thereto.

12. This Stipulation will be binding upon (a) the Airlines, the other Debtors and any trustee or examiner that may be appointed in the pending Chapter 11 cases, or their respective successors and assigns, (b) the Aircraft Creditors and their respective successors and assigns, (c) the trustee in the event that the above-captioned cases are converted to a case under Chapter 7 of the Bankruptcy Code and (d) all creditors and other parties and interests in this case.

13. This Stipulation is subject to the final approval of the Court. The Debtors shall promptly cause this Stipulation to be presented to the Court for approval in accordance with the Order Establishing Certain Notice, Case Management and Administrative Procedures entered on October 29, 2004.

14. This Stipulation may be executed in one or more counterparts, by facsimile or otherwise, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

15. This Stipulation, together with Section 1110 of the Bankruptcy Code and the Aircraft Agreements, each as modified and/or affected pursuant to the terms of the Stipulation, together contain the entire agreement between the Aircraft Creditors and the Airlines and the Debtors as to the subject matter hereof, and all previous agreements and communications prior to the date hereof, whether express or implied, oral or written, relating to the subject matter hereof are fully and completely extinguished and superseded by the Stipulation, and the Aircraft Agreements, as modified hereby. In the event of any inconsistency between the Stipulation and the Aircraft Agreements, this Stipulation shall govern. This Stipulation shall not be altered, amended, modified or otherwise changed, and the rights hereunder may not be waived except by a writing duly signed by the Aircraft Creditors and the Airlines.

16. Unless otherwise specifically provided herein, all notices required or permitted by the terms of the Aircraft Agreement, and this Stipulation shall be in writing, and any such notice shall become effective upon receipt of the addressee of such notice by certified mail, return receipt requested, overnight courier service or facsimile to the following addresses:

(a) If to the Airlines:

ATA Airlines  
Attn: Gilbert Viets  
7337 West Washington Street  
Indianapolis, IN 46231

-and-

Baker & Daniels  
Attn: James M. Carr  
300 North Meridian Street, Suite 2700  
Indianapolis, Indiana 46204  
Telephone: (317) 237-0300  
Facsimile: (317) 237-1000

Baker & Daniels  
Attn: David A. Foster  
600 E. 96<sup>th</sup> Street, Suite 600  
Indianapolis, IN 46240  
Telephone: (317) 569-4686  
Facsimile: (317) 569-4800



EXHIBIT A

**AIRCRAFT CREDITORS AND AIRCRAFT**

**Aircraft Creditors**

**Aircraft**

1. One \_\_\_\_\_ model \_\_\_\_\_ Aircraft bearing Manufacturer's Serial Number \_\_\_\_\_ with U.S. Registration Number \_\_\_\_\_.

**Engines**

1. One \_\_\_\_\_ model \_\_\_\_\_ --- Engine bearing Manufacturer's Serial Number \_\_\_\_\_.

EXHIBIT B  
PAYMENTS

Payment Dates	Amount