UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF INDIANA INDIANAPOLIS DIVISION	**PROOF OF CLAIM**	THIS SPACE IS FOR COURT USE ONLY
In re Chicago Express Airlines, Inc. NOTE See Reverse for List of Debtors and Case Numbers	Case Number 04-19866 04-19874	

This form should not be used to make a claim for an administrative expense arising after the commencement of the case A request for payment of an administrative expense may be filed pursuant to 11 U S C § 503

☐ Check box if you are aware that anyone else has filed a proof of claim relating to your claim Attach copy of statement giving particulars

☐ Check box if you have never received any notices from the bankruptcy court in this case

☐ Check box if this address differs from the address on the envelope sent to you by the court

If you have already filed a proof of claim with the Bankruptcy Court or BMC you do not need to file again

Name of Creditor and Address

St. Joseph County Airport Authority
4477 Progress Drive
South Bend, IN 46628-5594

Creditor Telephone Number 574 233-2185

Creditor Federal Tax ID	Account Or Other Number By Which Creditor Identifies Debtor	Check here if this claim ☐ replaces or ☐ amends a previously filed claim dated _____
35-1309851		

1 BASIS FOR CLAIM

☐ Goods sold ☐ Personal injury/wrongful death ☐ Retiree benefits as defined in 11 U S C § 1114(a)
☐ Services performed ☐ Taxes ☐ Wages salaries and compensation (Fill out below)
☐ Money loaned ☒ Other (describe briefly) Last four digits of SS # _____
Balance due under Office Lease Agreement
Unpaid compensation for services performed from _____ (date) to _____ (date)

2 DATE DEBT WAS INCURRED | **3 IF COURT JUDGMENT DATE OBTAINED**

4 TOTAL AMOUNT OF CLAIM AT TIME CASE FILED

$ _____	$ 52,652 73	$ _____	$ 52,652.73
(unsecured)	(secured)	(unsecured priority)	(Total)

If all or part of your claim is secured or entitled to priority, also complete Item 5 or 7 below

☐ Check this box if claim includes interest or other charges in addition to the principal amount of the claim Attach itemized statement of all interest or additional charges

5 SECURED CLAIM

☒ Check this box if your claim is secured by collateral (including a right of setoff)

Brief description of collateral

☐ Real Estate ☐ Motor Vehicle
☒ Other Setoff under Air Trans. Agr.

Value of Collateral $ 287,528.34

Amount of arrearage and other charges at time case filed included in secured claim if any $ _____

6 UNSECURED NONPRIORITY CLAIM $ _____

☐ Check this box if a) there is no collateral or lien securing your claim or b) your claim exceeds the value of the property securing it or if c) none or only part of your claim is entitled to priority

7 UNSECURED PRIORITY CLAIM

☐ Check this box if you have an unsecured priority claim

Amount entitled to priority $ _____

Specify the priority of the claim

☐ Wages salaries or commissions (up to $4 925) earned within 90 days before filing of the bankruptcy petition or cessation of the Debtor s business whichever is earlier 11 U S C § 507(a)(3)

☐ Contributions to an employee benefit plan 11 U S C § 507(a)(4)

☐ Up to $2 225 of deposits toward purchase lease or rental of property or services for personal family or household use 11 U S C § 507(a)(6)

☐ Alimony maintenance or support owed to a spouse former spouse or child 11 U S C § 507(a)(7)

☐ Taxes or penalties owed to governmental units 11 U S C § 507(a)(8)

☐ Other Specify applicable paragraph of 11 U S C § 507(a) (____)

Amounts are subject to adjustment on 4/1/07 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment

8 CREDITS The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim

9 SUPPORTING DOCUMENTS *Attach copies of supporting documents,* such as promissory notes purchase orders invoices itemized statements of running accounts contracts court judgments mortgages security agreements and evidence of perfection of lien DO NOT SEND ORIGINAL DOCUMENTS If the documents are not available explain If the documents are voluminous attach a summary

10 DATE-STAMPED COPY To receive an acknowledgment of your claim please enclose a self addressed stamped envelope and an additional copy of this proof of claim

You may file this proof of claim with BMC at the address below or with the Court at the address on the reserve side If you file with BMC the original of this completed proof of claim form must be sent by mail or hand delivered (Faxes not accepted) so that it is actually received on or before 5 00 pm on 01/24/2005 for Non Government Claimants OR on or before 04/24/2005 for Governmental Units

BY MAIL TO
BMC Group
Attn ATA Claims Agent
PO Box 1035
El Segundo CA 90245 1035

BY HAND OR OVERNIGHT DELIVERY TO
BMC Group
Attn ATA Claims Agent
1330 East Franklin Ave
El Segundo CA 90245

THIS SPACE FOR COURT USE ONLY

FILED
APR 25 2005
BMC

ATA

02012

DATE SIGNED	SIGN	and print the name and title if any of the creditor or other person authorized to file this claim (attach copy of power of attorney if any)
4/22/05	Michael Gallo	DIR of ADMIN + Finance

Penalty for presenting fraudulent claim is a fine of up to $500 000 or imprisonment for up to 5 years or both 18 U S C §§ 152 AND 3571

Chicago Express

	DESCRIPTION	AMOUNT CHARGED	AMOUNT PAID	BEG BALANCE
3/11/04	Late Charge	$ 25 54	$ -	$ 25 54
		$ 25 54	$ -	$ 25 54
5/1/04	BASE RENT Short Pd	$ 124 56	$ -	$ 124 56
	Per Amendment	$ 124 56	$	$ 124 56
6/1/04	BASE RENT Short Pd	$ 124 56	$ -	$ 124 56
	Late Charge	$ 28 03	$ -	$ 28 03
	Per Amendment	$ 152 59	$ -	$ 152 59
7/1/04	BASE RENT Short Pd	$ 124 56	$ -	$ 124 56
		$ 124 56	$ -	$ 124 56
8/1/04	BASE RENT Short Pd	$ 124 56	$	$ 124 56
		$ 124 56	$	$ 124 56
9/1/04	BASE RENT Short Pd	$ 124 56	$ -	$ 124 56
		$ 124 56	$	$ 124 56
10/1/04	BASE RENT Short Pd	$ 124 56	$ -	$ 124 56
		$ 124 56	$ -	$ 124 56
3/1/05	Base Rent	$ 1 826 92	$	$ 1 826 92
	CAM	$ 166 23	$	$ 166 23
	Late Fee	$ 29 90	$	$ 29 90
		$ 2 023 05	$	$ 2 023 05
4/1/05	Base Rent	$ 1 826 92	$	$ 1 826 92
	CAM	$ 166 23	$	$ 166 23
		$ 1 993 15	$	$ 1 993 15
		As of 4/4/05		**$ 4 817 13**
5/1/05 4/30/07	Term Commitment	$ 43 846 08	$	$ 43 846 08
	CAM Estimate Only	$ 3 989 52	$	$ 3 989 52
		$ 47 835 60	$	$ 47 835 60
		Total Obligation		**$ 52 652 73**

AMENDMENT OF COMMERCIAL LEASE

THIS Amendment of Commercial Lease Agreement entered into this 10th day of March, 2004

WHEREAS St Joseph County Airport Authority ("Landlord") and Chicago Express, Inc ("Tenant"), entered into that certain Commercial Lease Agreement ("Lease") on the 9th day of April, 2002 wherein the Landlord rented to the Tenant and Tenant rented from the Landlord approximately 1,993 square feet of commercial space known as Suite 140, 1843 Commerce Drive, South Bend, Indiana, 46628, commonly known as Air Commerce Building

AND WHEREAS, Landlord and Tenant hereby confirm, validate and desire to amend said Commercial Lease Agreement,

NOW THEREFORE, Landlord and Tenant agree as follows

Term
The extended Term of the Lease shall be extended for a period of thirty-six (36) months commencing on the 1st day of May, 2004 and expiring on the 30th day of April, 2007

Rent
The total base Rent payable for the period of May 1, 2004 through April 30, 2007 of the extended Term shall be equal to Sixty-five Thousand Seven Hundred Sixty-nine and 12/100 Dollars ($65 769 12) payable in monthly installments of One Thousand Eight Hundred Twenty-six and 92/100 Dollars ($1,826 92), ($11 00 psf)

Improvements
Landlord shall provide or cause to provide the improvement of expanding the training room to run flush with hallway wall Improvements shall consist of the following items, but not limited to Demolition of existing wall, Remove door & side light system, Construction 2x4 metal stud wall w/ 5/8" drywall, Install insulation in new wall, Relocate lights & switches and outlets, Reinstall door and window system, Patch & Paint walls to match existing color, Install new carpeting,

Except for provisions herein contained, said Lease Agreement will remain in full force and effect as previously made and amended by Landlord and Tenant

LANDLORD ST JOSEPH COUNTY AIRPORT AUTHORITY

BY _____

ATTEST _____

TENANT CHICAGO EXPRESS AIRLINES, INC

BY _____

ITS VP Maintenance

OFFICE LEASE AGREEMENT

The parties to this Lease Agreement ("Lease"), entered into on this 9th day of April, 2002 between ST JOSEPH COUNTY AIRPORT AUTHORITY ("Landlord") Chicago Express Airlines, Inc ("Tenant")

I - PREMISES, PREPARATION, SUBSTITUTION

A The Landlord hereby leases to the Tenant and the Tenant accepts that part of the AirCommerce Center located at 1843 Commerce Drive, Suite(s) 140, South Bend, IN 46628 (the "Building") as shown on the floor plan attached hereto as Exhibit A containing approximately 1,993 square feet respectively of rentable space (the "Premises") Tenant agrees that it has inspected the Premises and agrees that variations in the rentable area of the Premises which may be caused by the construction of leasehold improvements or otherwise are not material and will not affect the rental amount or other provisions of this Lease

B Acceptance - The taking of possession of the Leased Premises by Tenant on the Commencement Date shall be conclusive evidence that Tenant accepts the Leased Premises "as is", and the Leased Premises was in good and satisfactory condition and suitable for the use intended by Tenant at the time such possession was taken Any costs in order to complete improvements for Tenant use shall be at the expense of the Tenant Any other improvements shall be approved by the Landlord in advance and shall also be the expense of the Tenant

II - TERM

The term of the Lease of the Premises shall be Two (2) years commencing May 1, 2002 and ending April 30, 2006 unless sooner terminated as provided herein

Landlord and Tenant agree that the Landlord shall reserve the right to terminate this Lease with One Hundred Eighty (180) days written notice to the Tenant in the event that Landlord shall elect to utilize the real property and building containing the leased premises for purpose of Airport expansion or other airport related activities

III - USE

The Premises shall be occupied and used by the Tenant for a general administrative and training business office and for no other purpose

IV - RENT

The Tenant shall pay to the Landlord as rent, in advance, without any setoff or deduction whatsoever, as follows

For the period of May 1, 2002 through April 30, 2003, the sum Nineteen Thousand Nine Hundred Thirty And 00/100 Dollars ($19,930 00), payable in monthly installments of One Thousand Six Hundred Sixty And 84/100 Dollars ($1,660 84),
($10 00 PSF)

For the period of May 1, 2003 through April 30, 2004, the sum Twenty Thousand Four Hundred Twenty-Eight And 25/100 Dollars ($20,428 25), payable in monthly installments of One Thousand Seven Hundred Two And 36/100 Dollars ($1,702 36),
($10 25 PSF)

If the term commences on any day other than the first day of a calendar month, a pro rated fraction shall be paid for the partial month at the end of the said term, if any, as hereinafter provided. All Rent amounts owed by the Tenant to the Landlord hereunder shall be deemed payable by the first (1st) day of each month of the Term to the Landlord at the address set forth in paragraph XIX

All Rent payable by Tenant hereunder, which is not paid within five (5) days of the date due to Landlord shall bear interest at the rate of 18% per annum from the date due until paid

V — SECURITY DEPOSIT

The Tenant has deposited One Six Hundred Sixty And 84/100 Dollars ($1,660 84),) ("Security") with the Landlord, which shall be held by the Landlord, without liability for interest, as security for performance by the Tenant of all of its obligations under this Agreement The Landlord may apply all or any part of the Security for payment of any rent or other money, damage, or loss sustained by the Landlord because of the Tenant's default under this Agreement If such application is made at any time during the Term, then the Tenant shall pay to the Landlord the amount so applied immediately after receipt of written demand from the Landlord The Security shall be returned to the Tenant at the end of the Tenant's occupancy of the Premises if the Tenant is not then in default under this Agreement The Landlord may transfer the Security to any transferee of the Landlord's interest in the Real Estate, and the Landlord will thereafter be discharged from any liability with respect to the Security

VI - ADDITIONAL RENT FOR OPERATING EXPENSES

A Monthly Operating Expense Payment Tenant shall pay its proportionate share of Operating Expenses (defined in subsection C, below) in excess of a 2002 Expense Year per square foot per calendar year ("Base Proportionate Operating Expense") The Tenant's proportionate share of the Operating Expenses shall be an amount equal to the Operating Expenses divided by the leasable square feet in the Building minus the Base Proportionate Operating Expense times the number of square feet leased by the Tenant as set forth in Section I, above In addition to the rent set forth in Section IV, above, each month with the rent the Tenant shall pay the Landlord an amount equal to the Tenant's proportionate share of Operating Expenses for the preceding calendar year ("Tenant's Assumed Operating Expenses") divided by twelve Such monthly payment of the Tenant's Assumed Operating Expenses, as adjusted each year to correspond with the Landlord's determination of the actual Operating Expenses during the preceding calendar year, shall be made by the Tenant on the first day of the month after receipt by the Tenant of written notice of such adjustment from the Landlord

B In March, 2003, and in each year thereafter through the year following the termination of the term of this Lease, with any options and extensions, the total amount of the Tenant's Assumed Operating Expenses paid during the preceding year shall be corrected to reflect the actual Operating Expenses for such preceding calendar year Therefore, on or before April 1 of

each such year the Tenant shall pay the Landlord an amount equal to the difference between the Tenant's proportionate share of the actual Operating Expenses and the Assumed Operating Expenses which were paid by the Tenant during such preceding Calendar year Landlord shall credit tenant for any over payment of operating expenses

C The term "Operating Expenses" means the total reasonable operating expense related to the Building, of which the Premises are a part, and the land on which the Building is located, which are incurred by the Landlord and shall include, without limitation, taxes and assessments levied, assessed or imposed at any time by any municipal, county, state or federal government or any governmental authority, upon or against the Building of which the Premises are a part, and/or the land on which such Building is located, and also any tax or assessment levied, assessed or imposed at any time by any governmental authority in connection with the receipt of any income or rents from the Building and/or land to the extent that the same may be in lieu of all or a portion of any of the aforesaid taxes or assessments upon or against the Building and/or said land, personal property and ad valorem taxes, heat, fuel, costs of water and sewage, ventilating and air conditioning, electricity, snow removal, outside maintenance, reasonable management expenses, labor, including all wages, salaries, Social Security taxes which may be levied upon such wages and salaries, supplies, repairs, maintenance, painting, wall and window washing, general janitorial service, insurance, trash removal, and other items of direct operating maintenance, and repair costs according to standard accounting practices, but not including depreciation of the Building or equipment, interest expense on borrowed money of any form or nature, costs of maintaining the Landlord's corporate or business existence, franchise taxes, federal or state income taxes, expenditures required to be capitalized for federal income tax purposes, common area improvements, office expenses or salaries of the Landlord's executive officers, commissions and fees paid for the rental of the Building, or any parts thereof, or tenant improvements

D The Landlord shall notify the Tenant in writing by March 15 of each year of the actual Operating Expenses during the preceding calendar year, together with the computation of the additional payments for Operating Expenses due from the Tenant by April 1 of such year pursuant to subsections A and B of this Section, as disclosed by a statement from the Landlord or Landlord's representative Tenant shall have the right, at Tenant's sole cost and expense to audit the records of the Landlord concerning Operating Expenses If a discrepancy of more than Two Percent (2 0%) is found then the Tenant shall not be obligated to pay the cost of such an audit and the Landlord shall pay for the cost of such audit

VII - PARKING

The Landlord shall grant to the Tenant the non-exclusive right to use unreserved surface parking available on the building site and adjacent site, to be used by the Tenant and its employees and guests, at no additional cost to Tenant

VIII - SERVICES TO BE PROVIDED BY THE LANDLORD

The Landlord shall provide the following services to the Premises during reasonable business hours

A Janitorial services and customary cleaning in and about the Premises Janitorial personnel will not be responsible for handling any potentially infectious material or contaminated equipment nor will they be responsible for cleaning surfaces deemed as contaminated The Tenant

may not provide any janitorial service of its own without the Landlord's prior written consent, and then only subject to such additional conditions as the Landlord may reasonably impose

B Heat and air conditioning to provide, in the Landlord's judgment, comfortable occupancy of the Premises under normal business operations, Monday-Friday from 7 00 a m to 5 00 p m , Saturday 8 00 a m to 1 00 p m , but Sundays and Holidays excepted Wherever heat-generated machines or equipment are used or business operations are conducted in the Premises which, in the judgment of the Landlord, affect the temperature otherwise maintained by the air conditioning system, the Landlord reserves the right to modify said system including the installation of supplementary air conditioning units in the Premises, and the cost and expense of the modification to said system, and any increase in the expense of operation and maintenance thereof shall be paid by the Tenant to the Landlord

C Water from city mains, drawn through fixtures installed by the Landlord for drinking, lavatory, and toilet purposes, including a reasonable amount of hot water

D Electrical wiring system in the Premises for standard electrical receptacles and lighting fixtures Such electricity will be used only for normal office equipment and accessories Replacement lighting tubes, lamps, bulbs, and ballasts required for the overhead lighting fixtures in the Premises will be installed by Landlord and costs shall be included in annual Building Operating Expenses The Landlord reserves the right, with Tenant's mutual consent, to provide a separate meter for the Premises and to require the Tenant to pay for its use of electricity billed to such meter in lieu of including the cost of electricity in the operating expenses and only for an unusual demand for electricity

E Snow plowing and the treatment of ice for the outside parking facilities, related driveways, and sidewalks at all reasonable times

F Lavatories for the use of Tenant's employees and invitees in common with other tenants in the Building

The Landlord does not warrant that any of the services mentioned will be free from interruptions caused by repairs, renewals, improvements, alterations, strikes, lockouts, accidents, inability of the Landlord to obtain fuel or supplies, or any other cause beyond the reasonable control of the Landlord Any such interruption of service will not constitute an eviction or disturbance of the Tenant's use and possession of the Premises, or any part thereof, or render the Landlord liable to the Tenant for damages, or relieve the Tenant from performance of the Tenant's obligations under this Lease The Landlord will use reasonable efforts to promptly remedy any situation which has interrupted such services

IX- LANDLORD'S TITLE

The Landlord's title is and always shall be paramount to the title of the Tenant and nothing contained herein authorized the Tenant to do any act which may encumber the title of the Landlord This Lease is subject and subordinate to all ground and underlying leases, and to all mortgages which may now or hereafter affect such ground and underlying leases, or the real property or Building, of which the Premises form a part, and to all renewals, modifications, consolidations, replacements, and extensions thereof, and to all advances made or hereafter to be made on the security of any such mortgages Provided, however, that notwithstanding the foregoing, the

mortgagee may recognize this Lease and, in the event of a foreclosure sale under such mortgage or conveyance by deed in lieu of foreclosure, this Lease shall continue in full force and effect at the option of such mortgagee or purchaser under any such foreclosure sale or deed in lieu thereof The Tenant covenants and agrees that it will, upon the written request of such mortgagee or such purchaser, attorn thereto and execute, acknowledge, and deliver any instrument that has for its purposes and effect the subordination of said mortgage

X - ASSIGNMENT AND SUBLETTING

A The Tenant may not assign or transfer all or any part of its right and interest under this Lease, and may not sublet or permit the use and occupancy of all or any part of the Premises, to or by a third party without the prior written consent of the Landlord, and such consent will not be unreasonably withheld If the Landlord grants its consent then tenant shall not be released from its obligations under this Lease, and all consideration paid or to be paid by such third party, including any amounts in excess of the rent due under this Lease, shall be paid directly to the Landlord, and the Tenant shall be responsible to the Landlord for any deficiency between such consideration and the rent and other monies due under this Lease

B The Landlord may transfer and assign, in whole or in part, all of its rights and obligations under this Lease and in the Building and related real estate After such transfer or assignment the Landlord named in this Lease will have no further liability to the Tenant under this Lease for the Obligations assumed by the assignee or transferee

C Landlord covenants that it has lawful title and right to make this Lease for the term aforesaid and that it will put Tenant into complete and exclusive possession of the leased premises Landlord further covenants that if Tenant shall pay the rental and perform all the covenants and provisions of this Lease to be performed by Tenant, Tenant shall during the term demised, freely, peaceably, and quietly occupy and enjoy the full possession of the premises hereby demised and the tenements, hereditaments, and appurtenances thereto belonging and the rights and privileges herein granted without molestation or hindrance

XI - UNTENANTABILITY

If the Premises or the Building are made untenantable by fire or other cause, the Landlord may elect (a) to terminate this Lease as of the date of such casualty by notice to the Tenant within 30 days after that date, or (b) to repair all damage to the Premises or the Building so that the same shall be restored to such condition as existed immediately prior to such damage If the Landlord elects to terminate this Lease, the rent shall be abated on a per-diem basis and be paid to the date of the fire or casualty If the Landlord elects to restore the Premises and Building, such restoration shall be completed with reasonable promptness If the Premises are unusable during such restoration, or if the Tenant is reasonably required to close its operation while such repairs are made, the rent shall abate during such period of repair while such operations have ceased and the Premises are completely closed If the Tenant continues to operate on the Premises during such repairs, but is unable to use a substantial portion thereof, then the rent shall be prorated in the proportion which the area of unusable leased space bears to the total Premises for the period that said space is unusable The Landlord will not be liable for business losses to the Tenant by reason of damage to the Premises If such untenantability is caused by the fault of the Tenant, there will be no apportionment or abatement of rent Notwithstanding anything contained in this paragraph to the

contrary, if the Premises are not or cannot be made tenantable in 180 days after said damage for any reason whatsoever, the Tenant may terminate this Lease

XII - SIGNS

Tenant shall pay for all signs related to the Tenant's use of the Premises The Tenant is responsible for the sign on the entry door into the Premises but Landlord will place the company name and any individual names on building directory No sign, advertisement, or notice may be inscribed, painted, or affixed on any part of the outside or inside of the Premises or Building by the Tenant except on the doors of the portion of the Premises leased by the Tenant, and on the directory board, and then at the Tenant's expense and only of such color, size, style and material as is specified by the Landlord in writing The Landlord reserves the right to remove all other signs at the expense of the Tenant At the expiration of the lease term, the Tenant shall remove its signs from such doors

XIII - ALTERATIONS

No alterations or additions may be made and no fixtures may be affixed to the Premises or the Building without prior written consent of the Landlord All such alterations, additions, and fixtures, except the Tenant's trade fixtures and business machines, shall be and remain the property of the Landlord unless otherwise agreed in writing by the Landlord Said improvements by Tenant shall be consistent with structural changes, which in Landlord's opinion, are not detrimental to the Premises Landlord's approval of the plans, specifications and working drawings for Tenant's alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities

XIV - USE OF THE PREMISES

The Tenant (a) shall occupy and use the Premises during the term for the purposes specified in Section 3 above and none other, (b) may not make or permit any use of the Premises which, directly or indirectly, is forbidden by public law, ordinance, or government regulations which may be dangerous to life, limb, or property, or may which invalidate or increase the premium cost of any policy of insurance carried on the Building or covering its operations, (c) may not obstruct or use for storage or for any purpose other than ingress and egress the sidewalks, entrances, courts, corridors, vestibules, halls, elevators, and stairways of the Building, (d) may not make or permit any noise or odor that is objectionable to other occupants of the Building to emanate from the Premises, may not create or maintain a nuisance thereon, may not disturb, solicit, or canvass any occupant of the Building and may not do any act tending to interfere with the quiet enjoyment of their leased space in the Building by other tenants, or to injure the reputation of the Building, (e) may not install any machinery, mechanical equipment, electronic equipment, air conditioning equipment or aerial wires inside or outside the Building without, in each and every instance, prior to written approval by the Landlord so that other occupants of the Building will not be disturbed or annoyed, (f) may not place, or permit to be placed, any article of any kind on the window ledges or on the exterior walls and may not throw, or permit to be thrown or dropped, any article from any window of the Building, (g) may not attach additional locks or similar devices to any door or window and, upon the termination of this Lease or of the Tenant's possession, shall surrender all keys to the Premises and shall explain to the Landlord all combination locks on safes, cabinets, and vaults, (h) shall be responsible for locking the doors and closing the transoms and windows in and to the Premises, (i)

may not install any blinds, shades, awnings, or other form of inside or outside window covering or window ventilators or similar devices without the prior written consent of the Landlord, (j) may not overload any floor, shall route and locate safes and other heavy articles as the Landlord may direct, shall bring safes, furniture, and all large articles through the Building and onto the Premises at such times and in such manner as the Landlord directs and at the Tenant's sole risk and responsibility, and shall list all furniture, equipment and similar articles to be removed from the Building for approval at the office of the Management before the removal of such articles, (k) may not install in the Premises any equipment which uses a substantial amount of electricity without the advance written consent of the Landlord, shall ascertain from the Landlord the maximum amount of electrical current which can safely be used in the Premises, taking into account the capacity of the electrical wiring in the Building and the Premises and the needs of other tenants in the Building and, notwithstanding the Landlord's consent to such installation, may not use more electricity than such safe capacity, (l) shall be responsible for the cost of modification, installation, maintenance, repair, and additional operating and utility expenses related to any supplementary air conditioning required by heat generating machines or equipment used by the Tenant Tenant agrees that they will maintain the premises within OSHA rules and regulations for general and administrative business offices

All persons entering or leaving the Building between the hours of 6 00 p m and 7 00 a m , Monday through Friday, or any time Saturday, Sunday, or Holidays, may be required to identify themselves to a watchman, by registration or otherwise, and to establish their right to enter or leave the Building The Landlord may exclude or repel any peddler, solicitor, or beggar In addition to all other liabilities for breach of any covenant of this Section, the Tenant shall pay to the Landlord, as additional rent hereunder, an amount equal to any increase in insurance premiums caused by such breach The violation of any covenant of this Section may be restrained by injunction

XV - REPAIRS

The Tenant shall take good care of the Premises and the fixtures therein and shall keep the Premises in good order, condition, and repair at the Tenant's expense during the term of this Lease, including the replacement of all interior broken glass and exterior glass broken by the Tenant with glass of the same size and quality If the Tenant does not make necessary repairs within a reasonable time and adequately, the Landlord may, but need not, make such repairs and the Tenant shall promptly pay the Landlord for the cost thereof as additional rent On the expiration or early termination or cancellation of this Lease, the Tenant shall surrender the Premises and the Landlord's fixtures in as good condition as of the time of delivery to the Tenant, subject to reasonable wear and tear All injury to the Building or fixtures caused by moving of the Tenant in and out of the Building caused by the Tenant and any damage done by water, steam, electricity, fire or other substances to the Building or fixtures, or to the property of other tenants in the Building caused by the Tenant may be repaired by the Landlord at the expense of the Tenant, and the cost thereof shall become due and payable by the Tenant as additional rent upon the delivery of a statement of such costs by the Landlord to the Tenant, or mailing the same, postage prepaid, to the Tenant at its last known address

XVI - EMINENT DOMAIN

If the Building or any portion thereof, which includes a substantial part of the Premises or which prevents the operation of the Tenant's business shall be taken or condemned by a competent authority for any public use or purpose, the term of this Lease shall end upon, and not before, the

date when the possession of the part so taken shall be required for such use or purpose The Tenant may not share in the condemnation award, except for its personal property and relocation awards if any

XVII - RIGHTS RESERVED TO LANDLORD

The Landlord reserves all rights incident to its ownership of the Building, including, but not limited to, the right (a) to change the name of the Building or the street address of the Building without notice or liability (b) to install and maintain signs on the exterior of the Building, (c) to designate all sources furnishing sign painting and lettering, and drinking water used on the Premises, (d) if, during or prior to the termination of this Lease, the Tenant vacated the Premises, to decorate, remodel, repair, alter, or otherwise prepare the Premises for reoccupancy, (e) to have pass keys to the Premises, (f) to exhibit the Premises during the last 90 days of the lease term, (g) to take any and all measures, including inspections, repairs, alterations, additions, and improvements to the Premises or to the Building as may be necessary or desirable for the safety, protection, or preservation of the Premises or the Building or the Landlord's interest therein, or as may be necessary or desirable in the operation, leasing or marketing of the Building The Landlord may enter upon the Premises and may exercise any or all of the foregoing rights hereby reserved without being deemed guilty of an eviction or disturbance of the Tenant's use or possession and without being liable in any manner to the Tenant

XVIII - HOLDING OVER

If the Tenant retains possession of the Premises, or any part thereof, after the termination of this Lease by lapse of time or otherwise, the Tenant shall pay to the Landlord one-hundred and fifty percent (150%) of the rate of the then current rental specified in this Lease for the time that the Tenant thus remains in possession If the Tenant remains in possession of the Premises, or any part thereof, after the termination of the term by lapse of time or otherwise, the Landlord may thereafter terminate the tenancy immediately and without notice The provisions of this Section do not waive the Landlord's right of re-entry or any other right under this Lease

XIX - NOTICE AND PAYMENTS

Any notice which the Landlord may desire or be required to give the Tenant shall be deemed sufficiently given or rendered if delivered in writing to the Tenant personally or sent by certified mail, addressed to the Tenant at the Premises, return receipt requested All payments to the Landlord addressed to Landlord, ST JOSEPH COUNTY AIRPORT AUTHORITY C/O CB RICHARD ELLIS SOUTH BEND, P O BOX 540, SOUTH BEND, IN 46624 Any notice which the Tenant may desire or be required to give the Landlord shall be deemed sufficiently given or rendered if delivered in writing to the Landlord personally or sent by certified mail, return receipt requested, addressed to the Landlord, ST JOSEPH COUNTY AIRPORT AUTHORITY C/O CB RICHARD ELLIS SOUTH BEND, P O BOX 540, SOUTH BEND, IN 46624, or at such other place as the Landlord may from time to time designate in writing Any notices other than payments must also be sent to THE ST JOSEPH COUNTY AIRPORT AUTHORITY, 4477 TERMINAL DRIVE, SOUTH BEND, INDIANA 46628

XX - DEFAULT BY TENANT

In the event of a default by the Tenant under this Lease, the Landlord will have the following remedies

A If any voluntary or involuntary petition or similar pleading under any section of any bankruptcy law is filed by or against the Tenant or any voluntary or involuntary proceedings in any court or tribunal is instituted to declare the Tenant insolvent or unable to pay its debts and, in the case of an involuntary petition or proceeding, if it is not dismissed within 90 days from the date it is filed, then the Landlord, at its election and without further notice or demand and either with or without entry upon the Premises may forthwith cancel this Lease and be thereafter entitled to recover damages in an amount equal to the present value of the rental obligation herein stated, including increases in rent as provided in this Lease, less the rent for the Premises which it obtains for the residue of the stated term

B If the Tenant fails to pay any rent when due (within 10 days from due date), or fails to pay other monies owed to the Landlord on the date it is due, and fails to cure such default within ten days after receipt of written notice from the Landlord, or is otherwise in default of any of its obligations or duties under this Lease, then the Landlord may enter into and upon the Premises, or any part thereof, and repossess the same, with or without terminating this Lease and without prejudice to any of its remedies for rent or breach of covenant and may, at its option, terminate this Lease by giving written notice of its election to do so and be thereafter entitled to recover damages in an amount equal to the present value of the rental obligation herein stated, including increases in rent as provided in this Lease, less the rent for the Premises which it obtains for the residue of the stated term or may, at its option, lease the Premises, or any part thereof, at the then current fair market value The Tenant shall, without demand or further process of law, pay to the Landlord at the end of each month during the full term of this Lease the difference between the rent due the Landlord from the Tenant under this Lease, including any increases in rent due under this Lease, and the net receipts, if any, being received by the Landlord from the Premises (such net receipts to be calculated by deducting from the gross receipts the expenses incurred by the Landlord in connection with the re-letting of the Premises and performing the Tenant's obligations hereunder) In the event the rent for re-letting the Premises is higher than the monthly rent under the term of this Lease, then such excess rent shall belong to the Landlord and the Tenant will have no claim or right thereto

C LANDLORD LIEN If the Tenant has not fully paid all the rents and charges pursuant to this Agreement, then the Landlord shall be entitled to a landlord lien for the purpose of securing the payments of all the rents and charges Landlord shall have the right to liquidation of any personal property left on leased premises to satisfy any obligations of the Tenant and the costs incurred to perfect this landlord lien Any excess funds from this liquidation shall be turned over to the Tenant

D Should the Landlord prevail, the Tenant shall pay upon demand all the Landlord's costs, charges, and expenses, including reasonable fees of attorneys, agents, and others retained by the Landlord incurred in enforcing the Tenant's obligations hereunder or incurred by the Landlord in any litigation, negotiation, or transaction in which the Tenant causes the Landlord to become involved, without the Landlord's fault

XXI - DEFAULT BY LANDLORD

If the Premises, or any part thereof, are at any time subject to a mortgage, a deed of trust, or a similar lien instrument, and this Lease or the rentals are assigned to such a mortgagee, trustee, or beneficiary, and the Tenant is given written notice thereof, showing the effective date and the post office address of such assignee, then the Tenant may not terminate this Lease for any default on the part of the Landlord without first giving written notice by certified or registered mail, return receipt requested, to such assignee, to the attention of the mortgage loan department, specifying the default in reasonable detail, and affording such assignee a reasonable opportunity to make performance at its election for and on behalf of the Landlord

XXII - LIABILITY INSURANCE AND INDEMNIFICATION

A The Tenant shall maintain, and provide to the Landlord acceptable evidence of liability insurance of not less than $1,000,000 per occurrence for bodily injury and not less than $100,000 per occurrence for property damage The Landlord and/or the Landlord's managing agent shall be designated as a named insured with the right to notice of cancellation or amendment 10 days prior to the effective date thereof Said insurance shall be maintained during the term of this Lease

B If any third party prevails against the Landlord the Tenant will indemnify, defend, and save the Landlord harmless against and from all losses, liabilities, costs, damages, and expenses, including reasonable architects' and attorneys' fees, which may be incurred by or asserted against the Landlord by reason of or in respect to any of the following occurring during the term of this Lease (1) Any negligent work or thing done by the Tenant in, on, or about the Premises, or any part thereof (2) Any negligent use, non-use, possession, occupation, condition, operation, maintenance, or management by the Tenant of the Premises, or any part thereof (3) Any negligence on the part of the Tenant occurring in or about the Building and its real property

C If any action or proceeding is brought against the Landlord or the real estate by reason of any losses, liabilities, costs, damages, or expenses incurred by or asserted against the Landlord, by reason of or in respect to any of the matters or things set forth in subsection B of this Section, the Tenant shall, upon written notice from the Landlord and at the Tenant's expense, resist or defend such action or proceeding The Tenant and the Landlord agree to give each other prompt written notice of any claim, action, or proceeding brought or threatened against the Landlord and/or the tenant and/or against the Building of which either part has notice

D To the extent permitted by law, the Landlord will not be liable for any damage, either to person or property (except damage, willfully or wantonly caused by the Landlord and/or the Landlord's managing agent), sustained by the Tenant or by other persons due to the Building, or any part thereof, or any appurtenances thereof, being out of repair or due to the happening of any accident in or about said Building or due to any act of neglect of any tenant or occupant of said Building or of any person

E Landlord and Tenant each hereby waive all rights of recovery against the other and against the officers, employees, agents and representatives of the other, on account of loss by or damage to the waiving party of its property or the property of others under its control, to the extent that such loss or damage is insured against under any fire and extended coverage insurance policy which either may have in force at the time of the loss or damage Tenant shall, upon obtaining the policies of insurance required under this Lease, give notice to its insurance carrier or carriers that the forgoing mutual waiver of subrogation is contained in this Lease

XXIII - AMERICANS WITH DISABILITIES ACT OF 1990 (ADA)

Landlord represents that it is currently making good faith efforts to bring the common areas into compliance with the requirements of Title III of the ADA Tenant represents and covenants that Tenant shall be fully responsible for compliance with the ADA of any and all improvements located within the Leased Premises, regardless of who pays for or performs such improvements Tenant covenants and agrees that any and all future alterations or improvements made by Tenant to the Leased Premises shall comply with the ADA Upon the request of Landlord, Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord that such work was performed in compliance with the ADA (including, but not limited to, modifying its policies, practices and procedures, and providing auxiliary aids and services to persons with disabilities) Landlord and Tenant agree to indemnify the other for any costs, claims, damages, losses or expenses (including the costs of consulting and legal fees) arising out of the other's breaching its respective responsibilities for compliance with the ADA as required in this Lease but only to the extent Tenant had any control over the improvement in question This indemnity shall survive the termination of this Lease

XXIV - TENANT ESTOPPEL CERTIFICATE

The Tenant agrees at any time and from time to time, upon not less than 10 days prior written request by the Landlord, Tenant will execute, acknowledge, and deliver to the Landlord a statement in writing certifying that this Lease is unmodified and in full force and effect (or, if there have been modifications, stating the modifications, and that the Lease, as so modified, is in full force and effect), the commencement and termination dates of this Lease, that the Tenant has accepted the Premises, and the date to which the rental and other charges have been paid in advance, if any, and the Tenant has no claims against the Landlord or offsets against rent It is intended that such statement may be relied upon by prospective purchasers of the Landlord's interest in the land and Building, or by the mortgagee or assignee of any mortgage upon the Landlord's interest in the land and Building

XXV - LIENS

The Tenant may not do any act which in any way encumbers the title of the Landlord in and to the Premises and the Building, nor shall the interest or estate of the Landlord in said Premises and Building be in any way subject to any claim by way of lien or encumbrance, whether by operation of law or by virtue of any express or implied contract by the Tenant The Tenant will not permit the Premises and the Building to become subject to any mechanics', laborers', or material men's liens on account of labor or material furnished, or claimed to have been furnished, to the Tenant for or on the Premises and Building At its election, the Landlord may (but is not required to) remove or discharge such lien, or claim for lien (with the right, in its discretion, to settle or compromise the same), and any amounts advanced by the Landlord for such purpose shall be additional rent immediately due from the Tenant to the Landlord, with interest at the rate of 18% per annum from the date of payment thereof by the Landlord until paid by the Tenant

XXVI - MISCELLANEOUS

A The invalidity of any provision, clause, or phrase will not serve to render the balance of this Lease ineffective or void This Lease shall be governed by the laws of the State of Indiana

B If the Landlord or Tenant institutes legal proceedings against the other for breach of any of the covenants or conditions in this Lease, then the successful party shall recover reasonable attorneys' fees and expenses from the other

C This Agreement shall be binding upon and inure to the benefit of the respective parties hereto, their heirs, executors, administrators, successors, and assigns Any reference to the Tenant or Landlord shall, for the purpose of determining liability for property damage, personal injury and the like, be deemed to include the Tenant, the Landlord, his or its respective agents employees servants partners independent contractors licensees invitees guests or visitors

D This Agreement supersedes and cancels all prior negotiations and agreements whatsoever, and this Lease shall be amended only upon the joint written agreement of the parties

E Except as elsewhere herein expressly provided, all amounts owed by the Tenants to the Landlord hereunder shall be deemed to be additional rent and shall be deemed payable within ten (10) days from the date the Landlord gives notice and renders a statement of account therefore to the Tenant and shall bear interest at the rate of 18% per annum

F Writing Controls It is agreed that Landlord has not made by statement, promise, or agreement or taken upon itself any engagement whatever verbally or in writing in conflict with the terms of this Lease or that in any way modifies, varies, alters, enlarges, or invalidates any of its provisions and that no obligations of Landlord shall be implied in addition to the obligations herein stated

G Air and Light This Lease does not grant or guarantee Tenant a continuance of light and air over any property adjoining the leased Premises

H Quiet Possession Landlord covenants that Tenant, upon paying the rent herein provided and performing all the covenants of this Lease by it to be performed, shall have quiet possession of the Premises during the term herein

I No consent or approval required of the Landlord in this Lease may be unreasonably withheld

J Non-Discrimination The Tenant for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination, (3) that the Tenant shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-Discrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 and as said Regulations may be amended

The Tenant agrees to furnish service on a fair, equal, and not unjustly discriminatory basis to all users thereof and to charge fair, reasonable, and not unjustly discriminatory prices for each unit

or service, provided that the Tenant may be allowed to make reasonable and non-discriminatory discounts, rebates and other similar types of price reductions to volume purchasers

XXVII - RULES AND REGULATIONS

The Tenant shall abide by all reasonable rules and regulations adopted by the Landlord pertaining to the operation and management of the Building If any rules and regulations adopted by the Landlord are contrary to the terms of this Lease, the terms of this Lease shall govern

A The driveways, parking areas, plazas, sidewalks, entrances, passages, courts, elevators, vestibules, stairwells, corridors, or halls shall not be obstructed or encumbered by any tenant or used for any purpose other than ingress or egress to and from the Premises

B No awnings, canopies, or other projections shall be attached to the outside walls of the Building No drapes, curtains, blinds, shades, or screens shall be attached to or hung in, or used in connection with any window or door or the Premises without written consent of Landlord

C Tenants are prohibited from displaying any sign, picture, advertisement or notice on the inside or outside of the Building, or the Premises, except the usual name signs on the doors leading to the Premises, which shall conform to the requirements of the management of the Building, and excepting also the name strips on the directory board of the Building The directory board of the Building will be maintained by the Landlord In the event of the violation of the forgoing by any tenant, Landlord may remove same without any liability, and may charge the expense incurred by such removal to the tenant

D The sash doors, windows, and doors that reflect or admit light and air into the halls, passageways or other public places in the Building shall not be covered or obstructed by the Tenant except for building standard drapes or blinds in the common areas or on windows of the Premises

E No showcase or other articles shall be put in front of or affixed to any part of the exterior of the Building nor placed in the halls, corridors, or vestibules without the prior written consent of Landlord

F No Tenants shall mark, drill into, or in any way deface any part of the Premises or the Building of which they form a part No boring, cutting or stringing of wires shall be permitted, except with the prior written consent of Landlord and as Landlord may direct No Tenant shall lay any type of floor covering without first obtaining Landlord's written permission Landlord acknowledges that tenant shall affix shelves and pictures to the walls, however, the Tenant shall remain responsible for any damage to the walls, which may be caused by the Tenant's shelves or pictures

G No bicycles, vehicles or animals (except for seeing eye dogs) of any kind shall be brought into or kept in or about the Premises, and no cooking except microwave cooking shall be done or permitted by any Tenant on the Premises No Tenant shall cause or permit any unusual or objectionable odors to be produced upon or permeate from the Premises

H No space in the Building shall be used for manufacturing, for the storage of merchandise, or for the sale of merchandise, goods, or property of any kind unless Landlord shall have specifically, in writing, authorized such activities

I No Tenant shall make, or permit to be made, any unseemly or disturbing noises or disturb or interfere with occupants of this Building, or Premises, or neighboring building

J The Premises leased shall not be used for lodging, sleeping or cooking, except microwave cooking, as allowed in Article III, nor for any immoral or illegal purposes or for any purpose that will damage the Premises or the reputation of the Building

K Any and all maintenance repairs replacements to electrical, heating, air conditioning, water and plumbing systems in this Building shall be made or done only by persons authorized by Landlord

L Canvassing, soliciting and peddling in the Building is prohibited, and each Tenant shall cooperate to prevent the same

M The Landlord with the written consent of Tenant, which consent shall not be unreasonably withheld, has the right to make such other and further reasonable rules and regulations as in its judgment may from time to time be needful and proper, and upon delivery of the same to the Tenant, they shall become binding upon the parties hereto

LANDLORD ST JOSEPH COUNTY AIRPORT AUTHORITY

BY _____

Attest _____

TENANT CHICAGO EXPRESS AIRLINES, INC

BY _____

ITS _____

STATE OF INDIANA
SS
COUNTY OF ST JOSEPH

I, PATRICIA A MILLER a Notary Public in and for said County, in the State aforesaid, do hereby certify that STEVE LUTJEMEYER, personally known to me to be the VP MAINTENANCE

appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument in his/her said capacity and caused the seal of said corporation to be affixed thereto, as his/her free and voluntary act and as the free and voluntary act and deed of said corporation, for the used and purposed therein set forth

Given under my hand and official seal this 11 day of APRIL 2002

Patricia A Miller

Name PATRICIA A MILLER
Notary Public

PATRICIA A MILLER
NOTARY PUBLIC STATE OF INDIANA
ST JOSEPH COUNTY
MY COMMISSION EXP JULY 7,2008

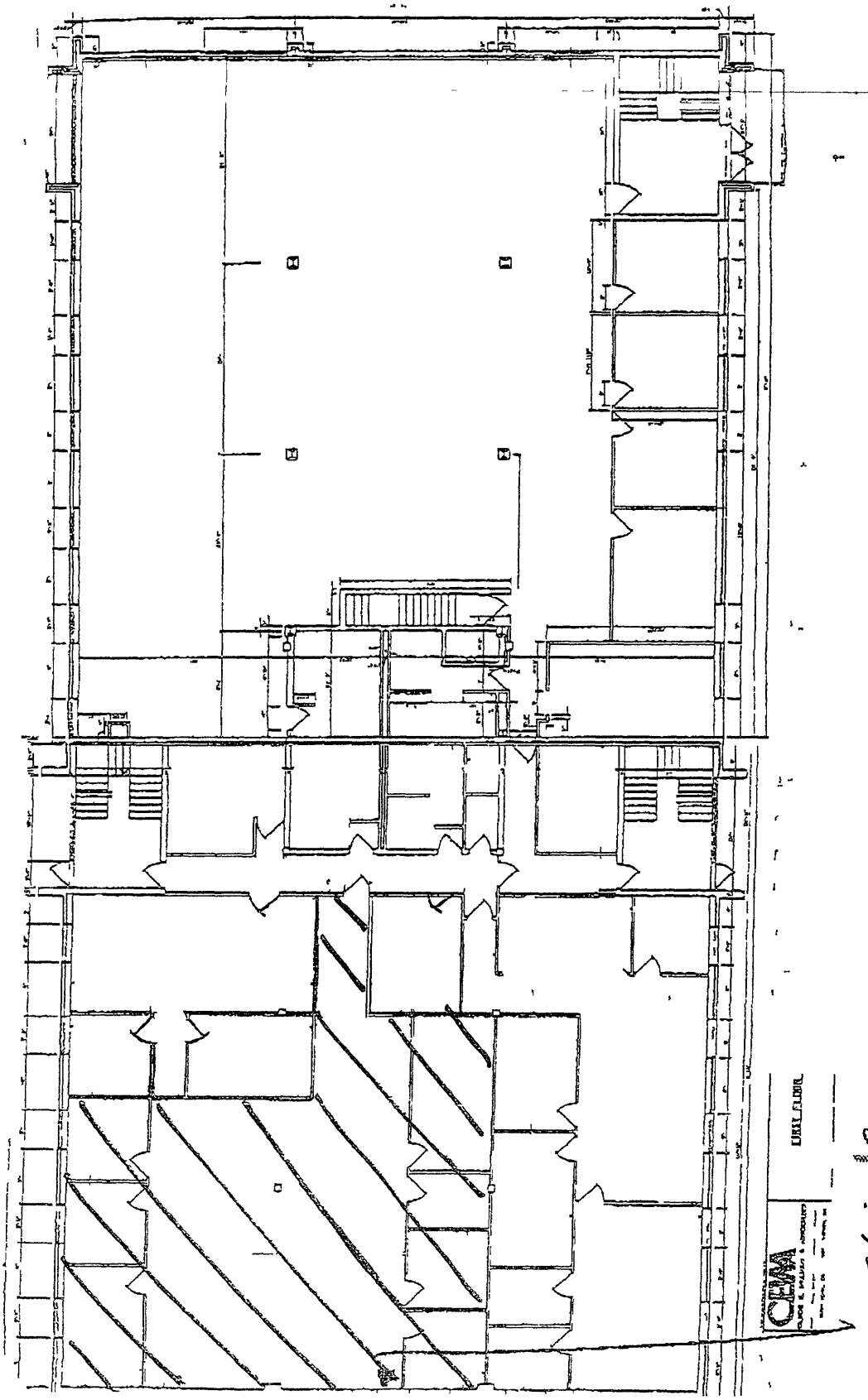
STATE OF INDIANA
SS
COUNTY OF ST JOSEPH

I, _____ a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____, personally known to me to be the _____

appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument in his/her said capacity and caused the seal of said corporation to be affixed thereto, as his/her free and voluntary act and as the free and voluntary act and deed of said corporation, for the used and purposed therein set forth

Given under my hand and official seal this ____ day of _____ 20__

Name
Notary Public


CEMA
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www lhklaw com

April 22, 2005

BMC Group
Attn ATA Claims Agent
1330 East Franklin Ave
El Segundo, CA 90245

Via Fed Ex No 8464 4508 1059

Re Chicago Express Airlines, Inc
Case Nos 04-19866, U S Bankruptcy Court, Southern District of Indiana
04-19874, U S Bankruptcy Court, Southern District of Indiana

Dear Sir or Madam

Enclosed please find two Proofs of Claim for filing in the Chicago Express Airlines, Inc bankruptcy on behalf of St Joseph County Airport Authority

1 Claim under Office Lease Agreement in the amount of $52,652 73,

2 Claim under Use and Lease Agreement in the amount of $55,314 64

Please return a file marked copy of each in the enclosed self-addressed envelope

Please call if you have any questions or concerns

Sincerely yours,

LEONE HALPIN & KONOPINSKI, LLP

Charles S Leone

CSL jlc
Enclosures
X \Clients\SJCAA\042205 trans letter wpd