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

In re:	)	
	)	Case No. 08-03675-BHL-11
ATA AIRLINES, INC.	)	Chapter 11
Debtor	)	

LIMITED OBJECTION TO CONFIRMATION OF
FIRST AMENDED CHAPTER 11 PLAN OF THE DEBTOR

Airliance Material s LLC, of 450 Medinah Road, Roselle, Illinois 60172 ("Airliance") objects to confirmation of the First Amended Chapter 11 Plan of the Debtor ("Plan") as follows:

1. On January 28, 2009, this Court entered an Order Resolving Debtor's Objection to Proof of Claim Number 4235 Filed By Airliance Materials LLC ("Order") [Doc. #1212].

2. The Order granted Airliance an allowed an administrative expense claim pursuant *inter alia* Section 507(a)(2) of the Bankruptcy Code ("Code") in an amount of $99,757.32 ("Airliance Allowed Admin Claim"). Airliance also holds unsecured claims against Debtor. However, those claims and their treatment under the Plan are not at issue or the basis of this Limited Objection.

3. To confirm the Plan, Debtor must satisfy the requirements of Section 1129 of the Code. In particular, Section 1129(a)(9)(A) requires that claims allowed under Section 507(a)(2) must, on the effective date of the Plan, pay holders of allowed Section 507(a)(2) claims "cash equal to the allowed amount of such claim" unless the holder of the claim agrees otherwise. Airliance has not agreed to any treatment with respect to the Airliance Allowed Admin Claim other than that which is required under Section 1129(a)(9)(A) of the Code, i.e. to receive cash equal to the amount allowed on the Effective Date of the Plan.

4. The Plan does not set forth the treatment required for confirmation under Section 1129 a)(9)(A) of the Code. Article 3.3 of the Plan, which governs *Payment of Administrative Claims*, provides:

> The Plan Trustee shall pay Allowed Administrative Claims (except Professional Compensation Claims and Ordinary Course Liabilities) arising through the Confirmation Date from the Priority Claim Fund on the later of (a) the Effective Date or (b) ten(10) days after the date such Claim becomes Allowed.

Although the provision states that the Plan Trustee "shall pay", it does not state that what the Plan Trustee must pay is "cash equal to the allowed amount of such claims."

5. To the extent that Debtor intended the language of Section 3.3 of the Plan to require full payment in cash on the Effective Date of the Airliance Allowed Admin Claim, then the Plan must be amended to so provide, the Order confirming the Plan must so state that Section 3.3 of the Plan incorporates and must comply with the requirements of Section 1129(a)(9)(A) of the Code, or the Order confirming the Plan must provide that the Airliance Allowed Admin Claim will be paid in accordance with the requirements of Section 1129(a)(9)(A) of the Code.

6. Counsel for Airliance attempted, but was unable to get clarification as to payment of its administrative claim and the existing language of Article 3.3 of the Plan prior to the date on which Plan objections had to be filed and served; thus Airliance is filing this Limited Objection to address this issue.

AIRLIANCE MATERIALS LLC

By: */s/ Paula K. Jacobi*
One of its Attorneys

Paula K. Jacobi, Esq. (IL BAR #1311247)
BARNES & THORNBURG LLP
One North Wacker Drive, 44th Floor
Chicago, Illinois 60606
312-214-4866

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

IN RE:	)	
	)	
ATA AIRLINES, INC.,	)	
	)	Case No. 08-03675-BHL-11
Debtor.	)	Chapter 11

CERTIFICATE OF SERVICE

The undersigned hereby certifies that copies of this **LIMITED OBJECTION TO CONFIRMATION OF FIRST AMENDED CHAPTER 11 PLAN OF THE DEBTOR** was served by electronic mail service pursuant to the Court's CM/ECF system, and via Federal Express on March 18, 2009 to the parties listed below:

Mr. Kenric Kattner
Haynes and Boone, LLP
1 Houston Center
1221 McKinney
Suite 2100
Houston, Texas 77010

Mr. Terry E. Hall
Baker & Daniels, LLP
300 N. Meridian Street
Suite 2700
Indianapolis, Indiana 46204

Mr. Steven B. Soll
Ottberbourg, Steindler, Houston & Rosen, P.C.
230 Park Avenue
New York, New York 10169

Ms. Kathy McLendon
Simpson, Thacher & Bartlett, LLP
425 Lexington Avenue
New York, New York 10117

Mr. Ronald J. Moore
The United States Trustee
101 W. Ohio Street, Suite 1000
Indianapolis, Indiana 46204

Dated: March 18, 2009

By _____
Paula K. Jacobi

Paula K. Jacobi, Esq.
Jennifer A. Kimball, Esq.
Barnes & Thornburg LLP
One North Wacker, 44th Floor
Chicago, Illinois 60606
(312) 214-4866