

EXHIBIT 1

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANA**

In re:	)	Case No. 04-19866-BHL-11
)	
ATA HOLDINGS CORP, <u>et al.</u>,	)	Chapter 11
	)	Jointly Administered
)	
Debtors.	)	Hon. Basil H. Lorch
)	

**FIRST INTERIM FEE APPLICATION OF
ERNST & YOUNG LLP FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES AS AUDITORS TO THE DEBTORS
FROM OCTOBER 26, 2004 THROUGH MARCH 4, 2005**

Name of applicant:	<u>ERNST & YOUNG LLP</u>
Authorized to provide professional services to:	<u>Debtors</u>
Date of retention:	<u>February 16, 2005, effective as of October 26, 2004</u>
Period for which compensation and reimbursement is sought:	<u>October 26, 2004 to March 4, 2005</u>
Amount of compensation sought as actual, reasonable and necessary	<u>\$ 402,388.00</u>
Amount of expense reimbursement sought as actual, reasonable and necessary:	<u>\$ 203.00</u>
This is an: <input checked="" type="checkbox"/> interim <input type="checkbox"/> final application	

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

In re:	)	Case No. 04-19866-BHL-11
)	
ATA HOLDINGS CORP, <u>et al.</u>,	)	Chapter 11
	)	Jointly Administered
Debtors.)	
	)	Hon. Basil H. Lorch
)	

**FIRST INTERIM FEE APPLICATION OF
ERNST & YOUNG LLP FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES
AS AUDITORS TO THE DEBTORS**

Ernst & Young hereby makes its first interim fee application (the "Application") for the allowance of professional fees incurred as auditors for the above-captioned debtors during the period from October 26, 2004 through March 4, 2005 (the "First Application Period") and for reimbursement of out-of-pocket expenses advanced on behalf of Debtors during the Application Period. In support of this application, Ernst & Young LLP states as follows:

1. Debtors filed their voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code on October 26, 2004 (the "Petition Date"). This Court, by order dated February 16, 2005, approved the Debtors' retention of Ernst & Young LLP as auditors to the Debtors (the "Ernst & Young LLP Retention Order"). Through the Ernst & Young LLP Retention Order, this Court approved periodic fixed audit fees and reimbursement of actual expenses to Ernst & Young LLP for the rendering of audit services to Debtors, in accordance

with the terms of Ernst & Young LLP's Engagement Letter dated December 17, 2004. In addition, the Ernst & Young LLP Retention Order approved fees to Ernst & Young LLP for the rendering of additional audit services (the "Additional Audit Services") to the Debtors based upon Ernst & Young LLP's hourly rates in accordance with the terms of Ernst & Young LLP's Engagement Letter dated December 17, 2004 and to receive payment for the Additional Audit Services in addition to the fixed audit fees.

2. This Application is being filed pursuant to the Order Granting Motion to Approve Procedures for Billings by and Payments to Professionals Retained in These Cases for Fees and Expenses Incurred, entered by the Court on December 10, 2004. This Application is the first interim fee application filed by Ernst & Young LLP seeking compensation and reimbursement of expenses incurred for the First Application Period and payment from the Debtors for such services and expenses as follows:

a. Compensation of \$402,388.00, representing all fees for services performed on behalf of the Debtors during the First Application Period (the "First Interim Application Request").

b. Reimbursement of one hundred percent (100%) of actual and necessary expenses, or \$203.00, incurred in connection with services rendered during the First Application Period ("First Interim Reimbursement Request").

c. Payment by the Debtors to Ernst & Young LLP for the total amount awarded hereunder less any amounts previously paid by the Debtors to Ernst & Young LLP for services performed and expenses incurred during the period October 26, 2004 through March 4, 2005.

3. On February 18, 2005 Ernst & Young LLP filed its Notice Of Invoice Of Ernst & Young LLP, Auditors for Debtors for the period October 26, 2004 through January 28, 2004 (the "First Notice") seeking approval and allowance of the first periodic fixed audit fee to Ernst & Young LLP in the amount of \$250,000.00 and actual expenses in the amount of \$203.00 and Additional Audit Services totaling \$92,074.00 for a total of \$342,277.00. A copy of the First Notice is attached as Exhibit 1. On March 2, 2005, the Debtors paid a total of \$273,862.20 (representing 80% of fees and 100% of expenses) to Ernst & Young LLP for the first periodic fixed audit fee and Additional Audit Services for the period October 26, 2004 through January 28, 2005. The Debtors withheld \$68,414.80 of the fees from the First Notice (the "First Notice Hold-back Amount"), which represents the 20% holdback for the fees incurred from October 26, 2004 through January 28, 2005.

4. In addition to the First Notice discussed in Paragraph 3, Ernst & Young LLP further seeks approval and allowance of fees for the second periodic fixed audit fee in the amount of \$27,500.00 and Additional Audit Services totaling \$32,814.00 for a total of \$60,314.00 for the period from January 29, 2005 through March 4, 2005. Detail of time incurred in connection with the rendering of fixed fee audit services is attached hereto as Exhibit 2 and detail of time incurred in connection with the rendering of Additional Audit Services is attached here to as Exhibit 3.

5. Ernst & Young LLP is currently owed a total of \$128,728.80 in unpaid fees and expenses incurred for the period October 26, 2004 through March 4, 2005, which consists of (a) \$68,414.80 representing the First Notice Hold-back Amount, (b) \$27,500.00 representing the second periodic fixed audit fee, and (c) \$32,814.00 representing Additional Audit Services

rendered for the period from January 29, 2005 through March 4, 2005. Accordingly, Ernst & Young LLP seeks Court authorization for the Debtors payment of the amount of \$128,728.80.

6. Other than the payment noted in paragraph 3 above, during the First Application Period, Ernst & Young LLP did not receive any payments or promises of payments from any source for services rendered or to be rendered in connection with these Chapter 11 cases.

7. As described in the attached Exhibits 1 through 3, Ernst & Young LLP professionals billed their time to five (5) distinct subject matter categories. Below is a summary of the activities performed by Ernst & Young LLP professionals during the First Application Period, and the hours spent by Ernst & Young LLP professionals on those matters, organized by project code description ("PCD").

PCD 64 – Audit of Financial Statement Accounts and Related Matters:

(Total Hours: 1,121.70)

Ernst & Young LLP performed services with respect to completing those audit procedures developed and determined during our planning and assessment of risk and internal controls and incurred time related to the review of annual audited financial statements and disclosures.

PCD 66a – Consultation Regarding Accounting Issues and Other Procedures Outside of the Audit-Bankruptcy Retention: (Total Hours: 38.20)

In connection with the retention of Ernst & Young LLP by the Debtors, Ernst & Young LLP has been required to devote time to preparing appropriate documents for Ernst & Young LLP 's retention as auditors for the Debtors, preparing and submitting Monthly Notices to the Debtors, as well as in the preparation of fee applications, all in accordance with Bankruptcy Code.

PCD 66b – Consultation Regarding Accounting Issues and Other Procedures Outside of the Audit-Application of SOP 90-7: (Total Hours: 138.40)

Ernst & Young LLP assisted the Debtors in their analysis and interpretation of guidance from accounting principles generally accepted in the United States related to SOP 90-7.

PCD 66c – Consultation Regarding Accounting Issues and Other Procedures Outside of the Audit-Review of New/Modified Agreements: (Total Hours: 25.60)

Ernst & Young LLP assisted the Debtors in reviewing new and/or modified agreements ensuing as a direct result of the Debtors' reorganization.

PCD 66d – Consultation Regarding Accounting Issues and Other Procedures Outside of the Audit-Application of FAS 142 and 144: (Total Hours: 67.30)

Ernst & Young LLP assisted the Debtors in their analysis and interpretation of guidance from accounting principles generally accepted in the United States related to FAS 142 and FAS 144.

8. The nature of Ernst & Young LLP's fee arrangement is consistent with the current practices of Ernst & Young LLP for audit services provided to companies in other bankruptcy and non-bankruptcy matters.

9. No agreement or understanding exists between Ernst & Young LLP and any other person or entity for the sharing of compensation received for services rendered in connection with this case.

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

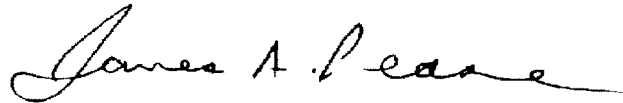
WHEREFORE, Ernst & Young LLP respectfully requests that an Order be entered authorizing and approving:

- A. Interim compensation in the amount of \$402,388.00, incurred in connection with services rendered to the Debtors from October 26, 2004 through and including March 4, 2005.

- B. Reimbursement of expenses totaling \$203.00 incurred in connection with services rendered to the Debtors from October 26, 2004 through and including March 4, 2005.
- C. Authorizing and directing prompt payment from the Debtors to Ernst & Young LLP of \$128,728.80, which is comprised of the First Notice Hold-back Amount of \$68,414.80 and all Allowed Fees and Expenses from January 29, 2005 through March 4, 2005 of \$60,314.00.

Dated: April 6, 2005

ERNST & YOUNG LLP



James A. Pease
Partner
ERNST & YOUNG LLP
111 Monument Circle, Suite 2600
Indianapolis, IN 46204
Tel: (317) 681-7311
Fax: (317) 681-7358
Human Resources, Audit and Tax Advisors to
Debtors and Debtors-in-Possession

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANA**

In re:	)	Case No. 04-19866-BHL-11
)	
ATA HOLDINGS CORP, <u>et al.</u>,	)	Chapter 11
	)	Jointly Administered
Debtors.)	
	)	Hon. Basil H. Lorch
)	
)	

**ORDER GRANTING FIRST INTERIM FEE APPLICATION OF ERNST & YOUNG
LLP FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FROM OCTOBER 26, 2004 THROUGH AND INCLUDING MARCH 4, 2005**

Upon consideration of the First Interim Application of Ernst & Young LLP for Allowance of Interim Compensation for Services Rendered and Reimbursement of Expenses Incurred for the Period October 26, 2004 through March 4, 2005, together with all supplemental documentation provided to the Court (collectively, the "Application"), adequate and proper notice having been circulated, any objections having been addressed or resolved, and it appearing that the compensation requested is reasonable and a benefit to these estates, **IT IS HEREBY ORDERED THAT:**

(1) Ernst & Young LLP, having requested interim compensation in the amount of \$402,388.00 for services performed for the Debtors during the period from October 26, 2004 through March 4, 2005, is allowed interim compensation in the amount of \$402,388.00 for such services.

(2) Ernst & Young LLP, having requested reimbursement of out-of-pocket expenses in the amount of \$203.00 for the period from October 26, 2004 through March 4, 2005, is allowed reimbursement of such expenses in the amount of \$203.00.

(3) The Debtors are authorized and directed to pay to Ernst & Young LLP, as compensation for services performed and reimbursement of expenses incurred from October 26, 2004 through March 4, 2005, the total amount awarded hereunder (\$402,591.00) less any amounts previously paid by the Debtors to Ernst & Young LLP for services performed and expenses incurred during the period of October 26, 2004 through March 4, 2005 pursuant to this Court's Administrative Order.

(4) The Application and the entry of this Order are core proceedings within the meaning of 28 U.S.C. § 157(b).

Dated: April __, 2005

Honorable Basil H. Lorch
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1



February 18, 2005

To: James M. Carr, Esq.
Joseph F. McGonigal, Esq.
Lisa G. Beckerman, Esq.
Gilbert F. Viets

From: Ernst & Young LLP

Re: **ATA HOLDINGS CORP., ET AL., DEBTORS**

Pursuant to the provisions of the Order Granting Motion to (I) Approve Procedures for Billings By and Payments To Professionals Retained in These Cases for Fees and Expenses Incurred and (II) Approve Procedures and Partial Deferral of Draw Down of Retainer Paid to Professional Retained in These Cases Until Requested By the Debtors, dated December 10, 2004 (the "Compensation Order") and the Order Supplementing Rule B-2016-1, dated December 21, 2004 (together with the Compensation Order, the "Monthly Compensation Orders"), Ernst & Young LLP ("E&Y LLP") hereby submits this request for compensation and reimbursement of expenses incurred as auditors to the Debtors for the period October 26, 2004 through January 28, 2005 (the "Compensation Period").

On February 16, 2005, the Court approved periodic fixed audit fees and reimbursement of actual expenses to E&Y LLP for the rendering of audit services to the Debtors, in accordance with the terms of E&Y LLP's Engagement Letter dated December 17, 2004. The first periodic fixed audit fee to E&Y LLP is in the amount of \$250,000.00 and actual expenses are in the amount of \$203.00. Detail of time and actual expenses incurred in connection with the rendering of audit services is attached hereto as Exhibit "A". In addition, on February 16, 2005, the Court approved fees to E&Y LLP for the rendering of additional audit services to the Debtors based upon E&Y LLP's hourly rates in accordance with the terms of the E&Y LLP's Engagement Letter dated December 17, 2004. For the period October 26, 2004 through January 28, 2005, the amount of these fees to E&Y LLP is \$92,074.00. Detail of time incurred in connection with the rendering of additional audit services is attached hereto as Exhibit "B".

Pursuant to the Monthly Compensation Orders, this request is for a total of \$273,862.20, representing the sum of \$200,000.00 (80% of the first periodic fixed audit fee of \$250,000.00), \$73,659.20 (80% of additional audit service fees of \$92,074.00) and \$203.00 (100% of expenses) (the "Monthly Fee Request"). Unless any such party objects to the Monthly Fee Request, in whole or in part, on or before March 2, 2005, the Debtors shall be authorized and directed to pay to E&Y LLP the amounts requested in the Monthly Fee Request.

If you have any questions, please call James A. Pease at (317) 681-7311 or R. Todd Barrett at (317) 681-7052.



INVOICE NUMBER: US0122799462

February 18, 2005

Gilbert F. Viets
Executive Vice President and CFO
ATA Holdings Corp.
7337 West Washington Street
Indianapolis, IN 46251-0609

PLEASE REMIT TO:

Ernst & Young
Bank of America – Chic. 96550
P.O. Box 96550
Chicago, IL 60693

EIN: 34-6565596

BU: US002 CLIENT NUMBER: 60017535

Progress bill #2 for services rendered in connection with our audit of the financial statements of ATA Holdings Corp for the year ended December 31, 2004 as set forth in our engagement letter dated December 17, 2004.	\$250,000
Annual audit out-of-pocket expenses incurred through January 28, 2005	<u>203</u>
Total Due	\$250,203

PLEASE PAY BY INVOICE NUMBER AND ENCLOSE REMITTANCE COPY
DUE UPON RECEIPT

CLIENT COPY

Exhibit A - 2004 Annual Audit

**ATA HOLDINGS CORP.
ERNST & YOUNG LLP
SUMMARY OF TIME BY PROFESSIONAL-2004 ANNUAL AUDIT
FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005**

<u>Professional</u>	<u>Position</u>	<u>Hours</u>
Jim Pease	Partner	20.5
Stephen Stenbeck	Partner	4.0
Shari Richey	Partner	8.5
Todd Barrett	Sr. Manager	64.6
Matthew Peters	Sr. Manager	9.0
Lolin Nagy	Manager	8.5
Amadou Yattassaye	Manager	151.5
Jennifer Taylor	Senior	163.5
Kyshia Gold	Senior	148.0
Krista Schaefer	Senior	0.5
Adam Baumann	Staff	222.1
Niraj Patel	Staff	44.0
Ibrahim Motiwala	Staff	10.6
Nikata Shaw	Staff	3.4
Todd Smith	Staff	1.0
Melissa Dunlap	Staff	<u>116.7</u>
	Total	<u><u>976.4</u></u>

Exhibit A-1 - 2004 Annual Audit

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
SUMMARY OF TIME FOR 2004 ANNUAL AUDIT
FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
64	Audit of Financial Statement Accounts and Related Matters	976.4
	Total Hours	<u>976.4</u>

Exhibit A-2 - 2004 Annual Audit

**ATA HOLDINGS CORP.
ERNST & YOUNG LLP
DETAIL OF TIME BY PROFESSIONAL--2004 Annual Audit
FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005**

Name	Date	Time	PCD	Description
Pease, Jim				
	11/7/2004	0.5	64	Hrs: Review planning audit files
	11/8/2004	1.0	64	Hrs: Review planning audit files
	11/11/2004	0.5	64	Hrs: Discuss with Todd Barrett upcoming fieldwork
	11/15/2004	0.5	64	Hrs: Update on fieldwork status and procedures
	1/4/2005	2.0	64	Hrs: Review interim fieldwork workpapers
	1/5/2005	2.0	64	Hrs: Review interim fieldwork workpapers
	1/6/2005	0.5	64	Hrs: Review interim fieldwork workpapers
	1/8/2005	1.0	64	Hrs: Review workpapers and issues list
	1/11/2005	0.5	64	Hrs: Review workpapers and issues list
	1/12/2005	4.0	64	Hrs: Review workpapers and issues list
	1/14/2005	2.5	64	Hrs: Review issues list
	1/21/2005	1.5	64	Hrs: Workpaper review
	1/24/2005	1.0	64	Hrs: Workpaper review
	1/25/2005	2.5	64	Hrs: Workpaper review
	1/26/2005	0.5	64	Hrs: Workpaper review
	Pease, Jim Total	20.5		
Stenbeck, Stephen				
	1/17/2005	2.0	64	Hrs: Review planning files
	1/25/2005	1.0	64	Hrs: Review issues list
	1/27/2005	1.0	64	Hrs: Review issues list
	Stenbeck, Stephen Total	4.0		
Richey, Shari				
	1/13/2005	2.0	64	Review tax provision workpapers, and significant memos/events documented for 2004; discussion with Lisa Bailey (ATA) regarding timing of review as well as two additional issues.
	1/17/2005	0.5	64	Hrs: Discussion with Lisa Bailey (ATA) regarding provision timing:
	1/19/2005	0.5	64	Hrs: review of remaining packet of tax provision workpapers
	1/26/2005	1.5	64	Hrs: 45 min discussion with Todd Barrett (EY) regarding status, issues, journal entry adjustments; 45 min discussion with Matt Peters (EY) regarding tax provision review;
	1/27/2005	4.0	64	Hrs: Tax provision review on-site: 1.5 hrs - discussions regarding questions with Lisa Bailey (ATA); 2.5 hours - reviewing workpapers prepared-to-date.
	Richey, Shari Total	8.5		
Barrett, Todd				

Exhibit A-2 - 2004 Annual Audit

Name	Date	Time	PCD	Description
	11/11/2004	1.0	64	Coordinate with client regarding upcoming interim field: requests for information
	11/15/2004	4.0	64	Begin interim fieldwork
	11/18/2004	4.0	64	Interim fieldwork
	11/27/2004	1.5	64	Procedures and issues related to Puerto Rico Discussions regarding and address issues related to Puerto Rico and statutory requirement: Meet with C. Smith and L. Duffy (ATA) via telephone
	11/29/2004	2.0	64	regarding statutory requirement: telephone discussions with professionals from San Juan (E&Y) regarding same issue.
	11/30/2004	1.5	64	Meeting w/Amadou Yattassaye and Jen Taylor (EY) regarding audit planning related to IT system
	12/9/2004	0.5	64	Correspond regarding KGD site visit for tests of revenue accounting controls
	12/10/2004	1.0	64	Telephone meeting with audit team regarding audit planning status.
	12/13/2004	1.0	64	Fieldwork to review interim workpapers
	12/23/2004	0.5	64	Review debt confirmation drafts
	12/23/2004	0.5	64	Vacation accrual issue: with Stewart Bell and Christine Smith (ATA) regarding FAS 43 analysis for accruing vacation on post-98 employees.
	12/27/2004	0.5	64	Review and approve legal letters: correspond with client regarding same.
	12/27/2004	1.0	64	Meeting with E&Y tax team (S. Richey and M. Peters) regarding current year provision issues
	12/30/2004	0.5	64	Correspondence regarding fourth quarter issues meeting
	1/5/2005	0.5	64	Pull together materials for S. Richey (EY) to assist with tax provision review.
	1/15/2005	1.0	64	Develop audit plan for upcoming audit field work
	1/16/2005	3.0	64	Hrs: review expanded planning documentation: designation of significant accounts, assessment of risk, test of controls summary and audit program.
	1/18/2005	5.0	64	Hrs: audit workpaper review in field
	1/19/2005	1.0	64	Hrs: review accrued vacation FAS 43 issue.
	1/19/2005	1.0	64	Hrs: Review updated expanded planning documentation and asm addendum
	1/20/2005	1.2	64	Hrs: Accrued vacation/FAS 43 issue.
	1/21/2005	1.0	64	Hrs: Discussion with Jennifer Taylor regarding status and guidelines for impairment analysis.
	1/22/2005	3.0	64	Hrs: Workpaper review
	1/24/2005	2.0	64	Hrs: Review audit workpapers in field
	1/25/2005	8.0	64	Hrs: work paper review in field
	1/25/2005	0.5	64	Hrs: Income tax - telephone call with Shari Richey (correspond w/Matt Peters) regarding provision issues and timing.
	1/26/2005	2.0	64	Hrs: workpaper review
	1/26/2005	1.0	64	Hrs: Tax: meeting with Shari Richey to review significant items and tax provision.
	1/26/2005	0.3	64	Hrs: update status report: communicate to team and to client
	1/26/2005	0.5	64	Hrs: Meeting with Chris Smith regarding revision to the audit timeline due to various accounting and auditing issues.
	1/27/2005	0.8	64	Hrs: Income taxes - with Shari A. Richey to review key income tax issues
	1/27/2005	4.0	64	Hrs: workpaper review

Exhibit A-2 - 2004 Annual Audit

Name	Date	Time	PCD	Description
	1/27/2005	0.8	64	Hrs: IT general controls - review tsrs wp's and draft comp controls memo in response to gen'l control assessmt
	1/28/2005	5.0	64	Hrs: wp review in field
	1/28/2005	3.5	64	Hrs: wp review
Barrett, Todd Total		64.6		
Peters, Matthew				
	1/21/2005	1.0	64	Hrs: Mtg with Lisa Bailey (ATA) to pickup and discuss tax workpapers
	1/22/2005	7.0	64	Hrs: tax provision review
	1/26/2005	1.0	64	Hrs: discussions with Shari Richey (EY) and follow up with Lisa Bailey (ATA) regarding income tax provision
Peters, Matthew Total		9.0		
Nagy, Lolin				
	12/1/2004	0.5	64	Hrs:Controls planning
	12/3/2004	0.5	64	Hrs:Review of controls documentation
	12/6/2004	4.0	64	Hrs:Controls documentation and understanding
	12/8/2004	0.5	64	Hrs:Controls comments
	1/12/2005	3.0	64	Hrs:Time spent performing detail review of the TSRS AWS worksteps
Nagy, Lolin Total		8.5		
Yattassaye, Amadou				
	12/6/2004	11.0	64	Hrs: TSRS Engagement - Kickoff Meeting. Engagement coordination, Prior Year Comments Status
	12/7/2004	11.0	64	Hrs: TSRS - Oracle Financials Understanding of the Controls America fieldwork Understanding of the Controls SAS70 - Application Controls and ACL Download Coordination
	12/8/2004	10.0	64	Hrs: TSRS - Oracle Database environment KGD coordination ADABAS Infrastructre Understanding of controls
	12/9/2004	10.0	64	Hrs: TSRS - Oracle Financials Physical Environment Operating Systems/ Network Controls
	12/10/2004	10.0	64	Hrs: TSRS - Oracle Financials Testing America Testing Oracle 11i Testing
	12/13/2004	9.0	64	Hrs: TSRS - UNIVERSE Oracle Financials America fieldwork UNIX Environmen
	12/14/2004	11.0	64	Hrs: KGD Visit and controls testing
	12/15/2004	10.0	64	Hrs: KGD Visit and controls testing
	12/16/2004	10.0	64	Hrs: TSRS - IS Operations MLC Documentation and Coordination
	12/17/2004	6.0	64	Hrs: Program change and logical security testing follow-up
	12/20/2004	11.0	64	Hrs: Reviewing SAS 70 reports and application control procedures
	12/21/2004	11.0	64	Hrs: Universe Environment Testing and documentation
	12/22/2004	11.0	64	Hrs: Excel based and Interface Controls Procedures
	12/23/2004	10.0	64	Hrs: ACL data Analysis Routines Coordination and testing
	12/28/2004	9.0	64	Hrs: Follow-up procedures, AWS documentation, reviewing IT practice checklist for compliance

Exhibit A-2 - 2004 Annual Audit

<u>Name</u>	<u>Date</u>	<u>Time</u>	<u>PCD</u>	<u>Description</u>
	1/12/2005	1.0	64	Hrs: Meeting with ATA personnel and Jennifer Taylor (EY) to discuss our findings as well as the impact on audit procedures.
	1/28/2005	0.5	64	Hrs: AWS Coordination with Jennifer Taylor
Yattassaye, Amadou Total		151.5		
Taylor, Jennifer				
	11/15/2004	0.5	64	Hrs: Interim fieldwork procedures
	11/18/2004	10.0	64	Hrs: Interim fieldwork procedures
	11/19/2004	7.0	64	Hrs: Interim fieldwork procedures
	11/30/2004	1.0	64	Hrs: Review of KGD site documentation
	12/2/2004	0.5	64	Hrs: Review of KGD site documentation
	12/13/2004	8.0	64	Hrs: 6 hours -KGD site review of workpapers, audit program, review support already provided by KGD with the client (to determine what was needed to take with); 2.0 hours - review and update confirmation control
	12/14/2004	8.0	64	Hrs: KGD - walkthrough KGD processes with KGD personnel
	12/15/2004	8.0	64	Hrs: KGD - walkthrough KGD processes with KGD personnel
	12/16/2004	5.0	64	Hrs: KGD - walkthrough KGD processes with KGD personnel
	12/17/2004	4.0	64	Hrs: work on KGD test of controls documentation, review interim open items with Kyshia Gold - discuss questions, discuss vacation accrual accounting with client
	12/20/2004	1.0	64	Hrs: Follow-up KGD test of controls documentation
	12/21/2004	0.5	64	Hrs: draft legal letter confirm
	12/29/2004	1.0	64	Hrs: debt confirms
	1/4/2005	1.0	64	Hrs: Follow-up issues regarding vacation accrual, controls doc.
	1/4/2005	2.5	64	Hrs: Accrual and controls issues, KGD documentation procedures
	1/7/2005	0.5	64	Hrs: discuss sending a supplemental CAG
	1/10/2005	7.0	64	Hrs: run RADAR diagnostics report, fix all issues, prepare Supplemental CAG
	1/11/2005	9.5	64	Hrs: document inherent risk objects, clean up aws based on RADAR diagnostic report
	1/12/2005	9.0	64	Hrs: PASSA and TCS forms, document KGD test of controls
	1/13/2005	9.5	64	Hrs: documentation of KGD control testing, CAG discussions with client, clean-up other planning items
	1/14/2005	8.0	64	Hrs: Planning and engagement administration in preparation for year-end fieldwork.
	1/15/2005	5.0	64	Hrs: Address review notes from planning and clearing of audit steps
	1/17/2005	12.5	64	Hrs: clear planning review notes (PASSA forms, View 6a, audit program), obtain client assistance
	1/18/2005	5.0	64	Hrs: clear review notes from planning, compensating controls memo
	1/19/2005	12.5	64	Hrs: Vacation accrual/FAS 43 memo, BATA impairment analysis
	1/20/2005	11.0	64	Hrs: Accrued vacation memo, BATA investment and impairment analysis.
	1/22/2005	2.0	64	Hrs: budget, address and documenting outstanding issues
	1/26/2005	12.0	64	Hrs: compensating controls memo, finish documentation of KGD test of controls
	1/28/2005	2.0	64	Hrs: review and finalize TSRS documentation
Taylor, Jennifer Total		163.5		

Exhibit A-2 - 2004 Annual Audit

Name	Date	Time	PCD	Description
Gold, Kyshia				
	11/15/2004	5.0	64	Hrs: Interim step and documentation of fixed assets
	11/17/2004	6.0	64	Hrs: Worked on interim PP&E
	11/18/2004	9.0	64	Hrs: Worked on interim PP&E
	11/19/2004	8.5	64	Hrs: Worked on interim PP&E
	12/13/2004	5.0	64	Hrs: Worked on wrapping up F/A interim testing
	12/17/2004	6.0	64	Hrs: 1 hr. - completing testing of KGD test of controls; 2hrs. - going over open items list left by staff and talking to client; 3hrs. - wrapped up open items on Fixed Assets
	1/17/2005	12.0	64	Hrs: 5 hrs. - preparation for 2004 audit; 1 hr. - goodwill; 1 hr. - F/A issue; 1 hr.- helped client; 1hr. - clearing interim F/A items; 3hrs.- fixed asset testing
	1/18/2005	19.0	64	Hrs: 4 hrs. - goodwill impairment analysis; 1 hr. - L1011-500 impairment analysis; 2 hr. - credit card holdback toc; 12 hrs. - Fixed Assets and Impairment;
	1/19/2005	12.0	64	Hrs: Fixed Assets and L1011-500 impairment
	1/20/2005	1.0	64	Hrs: Fixed asset documentation
	1/21/2005	8.5	64	Hrs: 3 hrs. - A/R; 5.5 hrs. - fixed assets
	1/22/2005	5.0	64	Hrs: fixed asset procedures and documentation
	1/24/2005	10.0	64	Hrs: 4.5 hrs. - clearing interim review notes for fixed assets and working on year-end F/A; 5.5 hrs. - debt
	1/25/2005	9.5	64	Hrs: 3 hr. - Addressing issues regarding debt confirms and debt related matters; 2 hr. - addressing issues regarding Account Receivable; 4.5 hrs. - F/A
	1/26/2005	10.5	64	Hrs: 2 hr. - review of and comments regarding deferred gains; 2 hr.- Account Receivable audit issues addressed; 2.5hrs. - F/A wrap up; 4 hrs. - worker's compensation
	1/27/2005	11.0	64	Hrs: 4 hrs. - workers compensation; 4 hrs. - debt; 3hrs. revenue & expenses and accruals
	1/28/2005	10.0	64	Hrs: 1.5 hr. - Accounts Receivable; 2.5hr. - revenue & expenses; 6 hrs. - debt
Gold, Kyshia Total		148.0		
Schaefer, Krista				
	1/7/2005	0.5	64	Hrs: documentation for the tax provision
Schaefer, Krista Total		0.5		
Baumann, Adam				
	11/15/2004	10.2	64	Hrs: Time spent auditing inventory
	11/16/2004	10.5	64	Hrs: Time spent completing audit steps for Accounts Receivable
	11/17/2004	4.8	64	Hrs: Time spent completing audit of inventory
	11/18/2004	7.2	64	Hrs: Audit time for prepaids
	11/19/2004	8.8	64	Hrs: 4.8 hours spent auditing inventory; 4.0 hours auditing deposits
	11/29/2004	9.5	64	Hrs: 1 hour prepaid expenses, 2.5 deposits, 3 Air Traffic Liability ("ATL"), 3 Accounts Receivable ("AR")
	12/1/2004	6.0	64	Hrs: 3 hours prepaids, 3 hours deposits
	12/2/2004	10.0	64	Hrs: 1 hour fixed assets., 2 deferred gain, 2 deposit, 5 accounts receivable
	12/3/2004	8.0	64	Hrs: 3 hours using the AWS diagnostics tool to clean up AWS, 4 hours on prepaids, 1 hour on deposits

Exhibit A-2 - 2004 Annual Audit

Name	Date	Time	PCD	Description
	12/6/2004	11.0	64	Hrs: 1 hour prepaid, 8 fixed assets, 1 budget update, 1 inventory
	12/7/2004	10.5	64	Hrs: planning 2, fixed assets 5, prepaid 1, cash .5, test of controls 1, fixed assets walkthru 1
	1/17/2005	13.0	64	Hrs: 2 hours cash, 4 hours inventory, 6 hours Accounts Receivable, 1 hour ATL
	1/18/2005	11.2	64	Hrs: .5 hours cash, 2.7 hours ATL, 4 hours accrual, 1 hour planning, 3 hours Accounts Receivable
	1/19/2005	13.5	64	Hrs: 4 hours accruals, 3 hours inventory, 2 hours Accounts Receivable, .5 hours cash, 1 hour planning, 3 hours ATL
	1/20/2005	12.5	64	Hrs: 8.5 hours accrual, 1 hour inventory, 2 hours AR, 1 hour cash
	1/21/2005	8.2	64	Hrs: 1 hour ATL, 5.2 hours accruals, 2 hours ATL
	1/22/2005	5.0	64	Hrs: 1 hour of ATL, 4 hours of accruals
	1/24/2005	12.0	64	Hrs: 8 hours accruals, 1 hour cash, 1.5 hour prepaid, 1.5 hour deposit
	1/25/2005	13.7	64	Hrs: 7.7 hours in accruals, 1 hour inventory, 1 hour deposits, 1 hour cash, 2 hours AR, 1 hour deferred gain
	1/26/2005	13.0	64	Hrs: 6.5 hours deferred gain, 5.5 hours accrual, 1 hour deposits
	1/27/2005	13.0	64	Hrs: 6.5 hours deferred gain, 5.5 accruals, 1 deposit
	1/28/2005	10.5	64	Hrs: accruals 5, deferred gain 5.5
Baumann, Adam Total		222.1		
Patel, Niraj				
	12/13/2004	11.0	64	Hrs: 4.5 hours - User Access walkthroughs (Novell and Windows); 1 hour - reviewing App Controls; 5.5 hours - reading SAS 70 for SBC, ADP, and SABRE
	12/14/2004	11.0	64	Hrs: 2 hours - Application control walkthrough; 6 hours - Application control follow up and documentation; 3 hours- SAS 70 review and prep
	12/15/2004	11.0	64	Hrs: 11 hours - SAS 70 review, SAS 70 use contron consideration meetings, and SAS 70 documentation
	12/16/2004	11.0	64	Hrs: 11 hours - review of work with Manager: finishing up SAS 70 reviews
Patel, Niraj Total		44.0		
Motiwala, Ibrahim				
	1/20/2005	5.0	64	Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
	1/21/2005	5.6	64	Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
Motiwala, Ibrahim Total		10.6		
Shaw, Nikata				
	1/17/2005	0.3	64	Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
	1/18/2005	1.7	64	Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
	1/21/2005	1.4	64	Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
Shaw, Nikata Total		3.4		
Smith, Todd				
	1/21/2005	1.0	64	Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")

Exhibit A-2 - 2004 Annual Audit

<u>Name</u>	<u>Date</u>	<u>Time</u>	<u>PCD</u>	<u>Description</u>
Smith, Todd Total		1.0		
Dunlap, Melissa				
	1/11/2005	4.7	64	Hrs:Review of and organized prior year files. review of workpapers and related items.
	1/12/2005	3.0	64	Hrs:Review of and documentation of walk through and related accuracy
	1/14/2005	8.0	64	Hrs:Finished review of walk throughs. reviewed engagement on AWS for audit work steps.
	1/17/2005	12.5	64	Hrs: Tie-out Trial Balance. audit Prepaid Expenses
	1/18/2005	12.0	64	Hrs: Audit Prepaid expenses. cash, deposits and other assets
	1/20/2005	7.5	64	Hrs: Audit deposits and other assets
	1/21/2005	8.0	64	Hrs: Audit Cash and accounts payable
	1/22/2005	3.5	64	Hrs: Footed fixed asset documents for Kyshia Gold. Looked into problems assoicated with bugeted vs. actual time spreadsheet for Jennifer Gold.
	1/24/2005	11.5	64	Hrs: Audit cash, prepaid expenses, accounts payable, and deposits and other assets.
	1/25/2005	12.0	64	Hrs: Audited cash, prepaid expenses, accounts payable
	1/26/2005	12.5	64	Hrs: Audited deferred gains, prepaid aircraft rent, accounts payable
	1/27/2005	12.0	64	Hrs: Audited revenue and deferred gains.
	1/28/2005	9.5	64	Hrs: Audited revenues and expenses; addressing lease straight line adjustment for rejected aircraft.
Dunlap, Melissa Total		116.7		
Total Hours		976.4		

ATA HOLDINGS CORP.
 ERNST & YOUNG LLP
 SUMMARY OF EXPENSES-2004 ANNUAL AUDIT
 FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005

Name	Period Ending	Expense Type				Description	Total
		Ground	Air Travel	Meals	Lodging		
Amadou Yattassaye	12/17/2004	18	-	18	-	Airport parking and meal expenses while out of town in Los Angeles, CA visiting KGD site during the week ended 12/17/2004	36
Jennifer Taylor	12/17/2004	160	-	7	-	Rental car (\$142), meal (\$7) and airport parking (\$18) expense while out of town in Los Angeles, CA visiting KGD site during the week ended 12/17/2004	167
Total		\$ 178	\$ -	\$ 25	\$ -		\$ 203



INVOICE NUMBER: US0122799455

February 18, 2005

Gilbert F. Viets
Executive Vice President and CFO
ATA Holdings Corp.
7337 West Washington Street
Indianapolis, IN 46251-0609

PLEASE REMIT TO:

Ernst & Young
Bank of America – Chic. 96550
P.O. Box 96550
Chicago, IL 60693

EIN: 34-6565596

BU: US002 CLIENT NUMBER: 60017535

For services rendered through January 28, 2005 in connection with the following:

Time incurred by E&Y professionals to perform the parties-in-interest connections check and prepare appropriate documents for E&Y retention as auditors for ATA bankruptcy case. \$17,023

Assistance to the Company in its application of AICPA Statement of Position 90-7 ("SOP 90-7"), *Financial Reporting by Entities in Reorganization Under the Bankruptcy Code*, including related evaluations thereof. SOP 90-7, issued in 1990, provides guidance on financial reporting by entities that have filed petitions with the Bankruptcy Court and expect to reorganize as going concerns under Chapter 11 of title 11 of the United States Code; the provisions contained therein allow entities to adequately reflect all changes in their financial condition caused by the proceeding. Specifically, separate reporting of gains and losses directly related to the reorganization of the Company as a direct result of the proceeding and the estimation of losses resulting from the rejection and/or modification of executory contracts. 46,481

Time incurred by E&Y professionals to review and and/or modified agreements ensuing as a direct result of the Company's reorganization. 8,733

Time incurred by E&Y professionals to review the Company's application of Statements of Financial Accounting Standards No. 142 ("FAS 142"), *Goodwill and Other Intangible Assets*, and No. 144 ("FAS 144"), *Accounting for the Impairment or Disposal of Long-Lived Assets*. The bankruptcy and restructuring of the Company resulted in the application of FAS 142 and FAS 144 to recognize the impairment of various Company assets. 19,837

Total Due \$92,074

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EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.
 ERNST & YOUNG LLP
 SUMMARY OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES
 FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005

Additional Audit Services - Bankruptcy Retention

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Jim Pease	Partner	6.5	\$695	\$4,518
Kenneth Peterson	Partner (National Accounting)	3.7	\$695	\$2,572
Todd Barrett	Senior Manager	21.6	\$450	\$9,720
Lorraine Sweet	Paraprofessional	2.5	\$85	\$213
		34.3		\$17,023
	Expenses			\$0
	Total	34.3		\$17,023

Additional Audit Services - Application of SOP 90-7

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Jim Pease	Partner	19.5	\$695	\$13,553
Stephen Stenbeck	Partner	2.0	\$695	\$1,390
Kenneth Peterson	Partner (National Accounting)	0.4	\$695	\$278
Charles Baker	Partner (National Accounting)	3.7	\$695	\$2,572
David Dickson	Partner (EY Airline Industry Group)	1.0	\$695	\$695
Darrell McKown	Partner (EY Airline Industry Group)	1.0	\$695	\$695
Gary Smith	Principal (National Accounting)	2.5	\$695	\$1,738
Todd Barrett	Senior Manager	50.6	\$450	\$22,770
Jennifer Taylor	Senior	9.0	\$310	\$2,790
		89.7		\$46,481
	Expenses			\$0
	Total	89.7		\$46,481

EXHIBIT B - Additional Audit Services

Additional Audit Services - Review of New/Modified Agreements

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Jim Pease	Partner	2.5	\$695	\$1,738
Gary Smith	Partner (National Accounting)	1.0	\$695	\$695
Todd Barrett	Senior Manager	14.0	\$450	\$6,300
		17.5		\$8,733
	Expenses			\$0
	Total	17.5		\$8,733

Additional Audit Services - Application of FAS 142 and 144

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Jim Pease	Partner	1.5	\$695	\$1,043
Kenneth Peterson	Partner (National Accounting)	0.3	\$695	\$209
Stephen Stenbeck	Partner	4.0	\$695	\$2,780
Todd Barrett	Senior Manager	6.5	\$450	\$2,925
Jennifer Taylor	Senior	11.0	\$310	\$3,410
Kyshia Gold	Senior	24.0	\$255	\$6,120
Adam Baumann	Staff	1.0	\$205	\$205
Melissa Dunlap	Staff	17.0	\$185	\$3,145
		65.3		\$19,837
	Expenses			\$0
	Total	65.3		\$19,837
	GRAND TOTAL	206.8		\$92,074

EXHIBIT B-1 - Additional Audit Services

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
SUMMARY OF TIME BY PROJECT CODE - ADDITIONAL AUDIT SERVICES
FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
66a	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Bankruptcy Retention	34.3
66b	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Application of SOP 90-7	89.7
66c	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Review of New/Modified Agreements	17.5
66d	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Application of FAS 142 and 144	65.3
	Total Hours	<u>206.8</u>

EXHIBIT B-2 - Additional Audit Services

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES
FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005

Name	Date	Time	PCD	Description
Additional Audit Services - Bankruptcy Retention				
Pease, Jim				
	12/13/2004	1.0	66a	Hrs: Services related to conflicts check review
	12/14/2004	1.5	66a	Hrs: Review of affidavit, connections check summary and related motion
	12/15/2004	1.0	66a	Hrs: Address issues related to retention motion and affidavit, including telephone conversation with Steve Tetro (Latham & Watkins), Todd Barrett (EY) and Ken Peterson (EY)
	12/16/2004	3.0	66a	Hrs: Time spent resolving issues regarding affidavit and motion for E&Y retention as auditors for ATA bankruptcy case; addressed issues related to Southwest Airlines and addition as a party in interest.
Pease, Jim Total		6.5		
Peterson, Kenneth				
	12/13/2004	1.2	66a	Hrs: Addressing issues regarding conflict considerations surrounding the Southwest and Airtran biddings
	12/14/2004	1.0	66a	Hrs: Addressing issues regarding conflict considerations surrounding the Southwest and Airtran biddings
	12/15/2004	0.4	66a	Hrs: Addressing issues regarding conflict considerations surrounding the Southwest and Airtran biddings
	12/16/2004	1.1	66a	Hrs: Addressing issues regarding conflict considerations surrounding the Southwest and Airtran biddings
Peterson, Kenneth Total		3.7		
Barrett, Todd				
	10/26/2004	0.5	66a	Hrs: Telephone call with Wisty Malone (ATA) regarding Company's Ch 11 filing and announcement
	10/26/2004	1.0	66a	Hrs: Work on draft engagement letter for ch. 11; correspond w/client regarding the same.
	10/26/2004	1.5	66a	Hrs: Telephone call with Latham & Watkins representatives for update on connections check, Correspond with Carrie Hall (E&Y partner on Air Tran) as part of connections check
	11/3/2004	1.0	66a	Hrs: Status update regarding connections check
	11/10/2004	1.0	66a	Hrs: Update connections check
	11/12/2004	1.0	66a	Hrs: Update connections check review and affidavit draft; update engagement letter
	11/15/2004	11.8	66a	Hrs: Draft engagement letter. Discussions with Wisty Malone to review client comments on draft letter
	11/16/2004	0.5	66a	Hrs: Review draft Form 12b-25 (filing extension for Form 10-Q as a result of the Petition); Correspond with client regarding the same.
	11/22/2004	1.0	66a	Hrs: Correspond with Wisty Malone (ATA) regarding post-bankruptcy engagement letter, revised engagement letter and send to ATA's counsel (Baker & Daniels)
	11/23/2004	1.11	66a	Hrs: Teleconference meeting with Marg Hosbach (EY-General Counsel) and Steve Tetro (Latham & Watkins) for connections check and affidavit finalization.
	12/1/2004	1.0	66a	Hrs: Review of 90 day window analysis and related matters for affidavit
	12/15/2004	1.0	66a	Hrs: Teleconference with Jim Pease (E&Y), Steve Tetro (Latham & Watkins) and Ken Peterson (E&Y) regarding retention motion for ATA and Bankruptcy Court.
	12/16/2004	3.5	66a	Hrs: Telephone calls with Marg Hosbach (EY-General Counsel Office), Steve Tetro (Latham & Watkins), Jim Pease and Joyce Bauchner regarding motion/affidavit to retain firm, including implications of South West Airlines become a party in interest
	12/21/2004	11.5	66a	Hrs: Correspond and coordinate revised affidavit, engagement letter and connections check spreadsheet
	1/5/2005	1.0	66a	Hrs: Telephone call with Keith Simon (Latham & Watkins) regarding creditors' committee counsel questions on the motion to retain E&Y Telephone call with Angela Ferrante, Esq. of Akin Gump Strauss Hauer & Feld LLP (counsel for creditors' committee)
	1/6/2005	1.11	66a	Hrs: Review US Trustee objection, correspond with Keith Simon (Latham & Watkins) regarding same.
	1/7/2005	2.0	66a	Hrs: US Trustee objection: telephone call with Keith Simon (Latham & Watkins), review billing/rate information question
	1/10/2005	0.3	66a	Hrs: Respond to notice of deadline to file claim
	1/19/2005	1.0	66a	Hrs: Telephone call with Steve Tetro (Latham & Watkins) to prepare for teleconference with US Trustee; Teleconference with US Trustee regarding limited objection.
	1/19/2005	1.11	66a	Hrs: Review draft supplemental affidavit in response to US Trustee limited objection.
Barrett, Todd Total		21.6		
Sweet, Lorraine				
	11/4/2004	2.5	66a	Hrs: Litigation database search for connections check associated with ATA bankruptcy retention
Sweet, Lorraine Total		2.5		
Total Additional Audit Services - Bankruptcy Retention		34.3		
Additional Audit Services - Application of SOP 90-7				
Pease, Jim				

EXHIBIT B-2 - Additional Audit Services

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES
FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005

Name	Date	Time	PCD	Description
	11/15/2004	0.5	66b	Hrs. Review revised Form 10Q and 12b-25 nontimely notification as a direct result of the Chapter 11 petition
	12/14/2004	1.0	66b	Hrs Discuss with Todd Barrett (EY) various client issues regarding SOP 90-7
	12/16/2004	0.5	66b	Hrs Research SOP 90-7 to address client raised issues
	1/4/2005	2.0	66b	Hrs Meeting with Wisty and ATA staff and discussions with Todd Barrett and Jennifer Taylor regarding bankruptcy issues and SOP 90-7.
	1/12/2005	1.0	66b	Hrs Meeting with Wisty Malone (ATA) and ATA attorneys regarding additional comments regarding Southwest Airlines agreements.
	1/12/2005	1.0	66b	Hrs Meeting to discuss aircraft lease agreements and Southwest deal with David Dickson, Darrell McKown and Todd Barrett (all E&Y)
	1/12/2005	1.5	66b	Hrs Meeting with Wisty Malone and Chris Smith (ATA) regarding SOP 90-7 accounting issues, including Todd Barrett (EY)
	1/12/2005	1.0	66b	Hrs Discuss plane lease accounting with Todd Barrett and Chuck Baker and Daniels attorneys
	1/14/2005	1.0	66b	Hrs Discuss lease and Southwest deals with Wisty Malone/Gil Viets
	1/15/2005	2.0	66b	Hrs Discuss SOP 90-7 accounting issues with Steve Stenbeck and Todd Barrett (both E&Y)
	1/16/2005	1.0	66b	Hrs Read and research other bankrupt airline accounting issues
	1/18/2005	1.0	66b	Hrs Review of lease accounting and related issues.
	1/19/2005	1.0	66b	Hrs Review restructure and classification of items for reorganizational items.
	1/19/2005	1.0	66b	Hrs Review of accounting for Southwest
	1/20/2005	1.0	66b	Hrs Discuss with Todd Barrett and Gary Smith the accounting for the Southwest lease and EITF 02-10 - definition of primary obligor
	1/20/2005	1.0	66b	Hrs Review income statement classification of reorganizational items
	1/25/2005	1.5	66b	Hrs Meet with Wisty Malone and Chris Smith regarding treatment of reorganization costs and impairment of leases
	1/26/2005	0.5	66b	Hrs Review of reorganization plan with Wisty Malone
		<u>19.5</u>		
Stenbeck, Stephen				
	1/15/2005	2.0	66b	Discussions surrounding SOP 90-7 and related accounting/auditing issues - with Todd Barrett and Jim Pease (EY)
		<u>2.0</u>		
Stenbeck, Stephen Total				
		<u>2.0</u>		
Peterson, Kenneth				
	11/10/2004	0.4	66b	Review 10Q nontimely filing notification as a result of the Chapter 11 filing.
		<u>0.4</u>		
Peterson, Kenneth Total				
		<u>0.4</u>		
Baker, Charles				
	1/12/2005	0.7	66b	Consultation on accounting for certain assets in bankruptcy - aircraft lease rejection accounting and related guidance.
	1/17/2005	0.5	66b	Hrs Consultation on appropriate accounting treatment for reorganization expenses
	1/19/2005	0.5	66b	Hrs Consultation on appropriate accounting for reorganization expenses.
	1/20/2005	0.5	66b	Hrs Consultation on appropriate accounting for reorganization expenses.
	1/21/2005	1.0	66b	Hrs Consultation on appropriate accounting for reorganization expenses.
	1/25/2005	0.5	66b	Hrs Consultation on accounting issues related to bankruptcy.
		<u>3.7</u>		
Baker, Charles Total				
		<u>3.7</u>		
Dickson, David				
	1/12/2005	1.0	66b	Consultation on accounting for long-term prepaid assets in bankruptcy - aircraft lease rejection accounting and related.
		<u>1.0</u>		
Dickson, David Total				
		<u>1.0</u>		
McKown, Darrel				
	1/12/2005	1.0	66b	Consultations on accounting in bankruptcy, drawing on experience with other airlines in Ch. 11, with Todd Barrett, Jim Pease and Dave Dickson regarding the accounting for rejected aircraft and the related costs and allowed claims
		<u>1.0</u>		
McKown, Darrell Total				
		<u>1.0</u>		
Smith, Gary				
	1/17/2005	1.5	66b	Hrs Review consultation memo regarding rejected aircraft lease and related telephone call with Todd Barrett (EY)
	1/20/2005	1.0	66b	Discussions with Todd Barrett and Jim Pease (EY) regarding Southwest lease - sale of rights and related accounting
		<u>2.5</u>		
Smith, Gary Total				
		<u>2.5</u>		
Barrett, Todd				
	11/12/2004	2.0	66b	Review of revised Form 10Q and 12b-25 nontimely notification. Work was a direct result of the Chapter 11 petition.
	11/18/2004	2.0	66b	Update review procedures, including inquiries, as a result of the Chapter 11 filing.
	11/22/2004	3.0	66b	Review subsequent draft of the modified 10Q for the Chapter 11 filing.

EXHIBIT B-2 - Additional Audit Services

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES
FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005

Name	Date	Time	PCD	Description
	11/23/2004	0.3	66b	Telephone conversation with Steve Claffey regarding Oct. 1 special board meeting that was not documented by the Company
	12/03/2004	2.0	66b	SOP 90-7, review specific bankruptcy accounting issues brought up by ATA personnel: secured/unsecured debt, prepaid aircraft assets, preferred stock, lessor claims, liabilities subject to compromise
	12/04/2004	0.5	66b	SOP 90-7 matters: telephone call with Jim Pease regarding specific accounting issues in reorganization
	12/13/2004	1.0	66b	SOP 90-7: Telephone meeting with Chris Smith (ATA) regarding specific accounting issues as a result of being in Ch. 11, continuation of 12/13 discussions
	12/15/2004	0.5	66b	SOP 90-7: Telephone call with Stewart Bell (ATA) regarding accounting issues associated with DIP financing obtained from Indpls
	12/17/2004	0.5	66b	SOP 90-7: Telephone call with Chris Smith (ATA) regarding accounting issues
	12/23/2004	0.5	66b	DIP: With Stewart Bell (ATA) regarding accounting for the ITFA DIP financing arrangement
	1/4/2005	2.0	66b	4th quarter issues meeting with ATA personnel at client site. Attending: Wisty Malone, Christine Smith, June Ritter, Lisa Bailey, and Stewart Bell from ATA, Jim Pease and Jennifer Taylor from EY - discussed non-recurring accounting issues as a result of the bankruptcy.
	1/4/2005	1.0	66b	Research and discussions regarding specific SOP 90-7 accounting issues: timing for recognition of losses, classification of gains/losses from restructuring in the stmt of operations
	1/11/2005	1.0	66b	SOP 90-7: Meet with Wisty Malone and Chris Smith regarding aircraft lease rejection accounting
	1/11/2005	3.5	66b	SOP 90-7: lease rejection issues.
	1/12/2005	4.0	66b	SOP 90-7: evaluate and document preliminary conclusions on aircraft lease rejection acctg issues.
	1/12/2005	1.0	66b	SOP 90-7: Meet w/ATA (W Malone), Baker & Daniels (T Hall, S Claffey) and Jim Pease regarding Southwest Airlines agreements.
	1/12/2005	1.0	66b	SOP 90-7: Telecon with Jim Pease, Dave Dickson and Darrel McKown (all EY) regarding aircraft lease rejection accounting issues.
	1/12/2005	1.0	66b	SOP 90-7: PPD consultation (w/Chuck Baker) re: aircraft lease rejection acctg issues.
	1/12/2005	1.0	66b	SOP 90-7: Meet with Wisty Malone, C Smith (ATA) and J Pease (EY) regarding various accounting issues resulting from the Ch. 11, including aircraft lease rejections, impairments, Southwest accounting
	1/14/2005	1.0	66b	Meet with Gil Viets and Wisty Malone re: various bankruptcy related issues impacting the annual financial statements
	1/14/2005	5.0	66b	SOP 90-7: Southwest Airlines transaction, rejected lease acctg
	1/15/2005	1.0	66b	Hrs: SOP 90-7: Discussion with Jim Pease and Steve Stenbeck to review major accounting and auditing issues.
	1/15/2005	2.0	66b	Hrs: SOP 90-7: Lease rejection accounting and Southwest
	1/17/2005	2.0	66b	Hrs: SOP 90-7: draft consultation memorandum to document evaluation of ATA's accounting for the rejected aircraft leases.
	1/17/2005	5.0	66b	Hrs: SOP 90-7: draft consultation memo re: the Southwest Airlines transactions, including consultation with Gary Smith at national office
	1/19/2005	2.0	66b	Hrs: SOP 90-7: lease rejection accounting
	1/20/2005	0.8	66b	Hrs: SOP 90-7: Correspond with ATA personnel: revise documentation regarding Southwest sale of lease rights transaction.
	1/20/2005	1.0	66b	Hrs: SOP 90-7: Discussion with Gary Smith and Jim Pease (EY) to review Southwest sale of lease rights transaction and accounting issues related thereto
	1/20/2005	1.0	66b	Hrs: SOP 90-7: Discussions with Jennifer Taylor regarding testing of the rejected lease adjustment to provide specific supervision in order to conduct procedures to assess the appropriateness of the client's accounting
	1/25/2005	1.0	66b	Hrs: SOP 90-7: Meeting with Jim Pease (EY), Wisty Malone and Chris Smith (ATA) to review appropriate classifications for losses recognized related to restructuring and bankruptcy reorganization proceedings.
Barrett, Todd Total		50.6		
Taylor, Jennifer				
	1/4/2005	1.5	66b	Client quarter issues meeting with ATA personnel at client site (Wisty Malone, Christine Smith, June Ritter, Lisa Bailey, and Stewart Bell) - discussed non-recurring accounting issues as a result of the bankruptcy.
	1/11/2005	0.5	66b	SOP 90-7: Aircraft lease rejection issues
	1/18/2005	6.0	66b	Hrs: Draft revised planning memoranda in response to specific additional financial statement risks related to bankruptcy, add 2 new significant accounts and one new process (including WCGW's, worksteps, inherent risks, etc) related to the bankruptcy (Liabilities Subject to Compromise and Reorganization Expense)
	1/20/2005	1.0	66b	Hrs: Assessment of client's rejected lease adjustment.
Taylor, Jennifer Total		9.0		
Total Additional Audit Services - Application of SOP 90-7		89.7		

Additional Audit Services - Review of New/Modified Agreements

Pease, Jim

1/8/2005	2.0	66c	Hrs: Review of 1110 Stipulation agreements
1/10/2005	0.5	66c	Hrs: Review of additional 1110 changes to contract agreements provided by client
	2.5		

EXHIBIT B-2 - Additional Audit Services

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES
FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005

Name	Date	Time	PCD	Description
Smith, Gary				
	1/13/2005	1.0	66c	Hrs. Call w/ Todd Barrett re. lease assignments in the Southwest deal.
Smith, Gary Total		1.0		
Barrett, Todd				
	12/17/2004	2.0	66c	Review DIP financing arrangement related to Indianapolis sale-leaseback
	12/20/2004	2.0	66c	Review Indiana Transportation Finance Authority asset purchase agreement and sublease agreement
	1/5/2005	0.5	66c	Review of certain post-bankruptcy agreements for Southwest Airlines purchase agreement documents/rejected aircraft lease documents
	1/9/2005	2.0	66c	Review lease stipulation agreements for entire fleet of aircraft
	1/10/2005	0.5	66c	Telephone call with Chris Smith regarding stipulation and election agreement and related accounting treatments.
	1/11/2005	2.0	66c	Review Southwest purchase agreement and accounting rules to record the transaction
	1/13/2005	1.0	66c	Southwest sale of lease rights - drop executive summary email with background information to Gary Smith at national office.
	1/13/2005	1.0	66c	Telephone call with Gary Smith regarding Southwest Transaction
	1/13/2005	1.0	66c	Southwest sale of lease rights - review
	1/21/2005	2.0	66c	Hrs: Southwest - ATA sale of lease rights issue with client personnel, and their attorneys (Baker Daniels) to review.
Barrett, Todd Total		14.0		
Total Additional Audit Services - Review of New/Modified Agreements		17.5		

Additional Audit Services - Application of FAS 142 and 144

Pease, Jim				
	11/11/2004	1.5	66d	Consultation regarding the impairment accounting accorded to Tail 775.
Pease, Jim Total		1.5		
Peterson, Kenneth				
	11/8/2004	0.3	66d	Consultation on impairment accounting related to Tail 775.
Peterson, Kenneth Total		0.3		
Stenbeck, Stephen				
	11/8/2004	2.0	66d	Review documentation regarding impairment of Tail 775.
	11/11/2004	2.0	66d	Comments and questions surrounding Tail 775 impairment accounting.
Stenbeck, Stephen Total		4.0		
Barrett, Todd				
	1/18/2005	1.5	66d	Hrs: Discussions with Wisty Malone, Chris Smith and Robert Saninon (Huron Consulting) regarding impairment analysis of long-term prepaids.
	1/22/2005	3.0	66d	Hrs: L1011 impairment, ATALC impairment, vacation accrual issue - all driven by client reorganization in Ch. 11
	1/24/2005	1.0	66d	Hrs: Fleet impairment audit procedures and related documentation from reorganization activities
	1/27/2005	1.0	66d	Hrs: Meet with Stewart Bell and Bill Thomas (ATA's director of marketing) regarding the restructuring and its impact on the ATALC-Mark Travel biz relationship and goodwill impairment.
Barrett, Todd Total		6.5		
Taylor, Jennifer				
	1/21/2005	8.0	66d	Hrs: BATA impairment analysis, goodwill impairment analysis
	1/22/2005	3.0	66d	Hrs: Goodwill impairment analysis
Taylor, Jennifer Total		11.0		
Gold, Kyschia				
	1/24/2005	2.0	66d	Hrs: Assessment of the restructuring and ensuing L1011-500 Impairment
	1/25/2005	2.0	66d	Hrs: 1 hr. - wrapping up L1011-500 impairment and finding out NBV for SAAB 340's; 1 hr. - working with client on testing of a writeoff related to an aircraft return
	1/26/2005	10.0	66d	Hrs: L1011-500 Impairment Testing
	1/27/2005	10.0	66d	Hrs: L1011-500 Impairment Testing
Gold, Kyschia Total		24.0		
Baumann, Adam				
	1/24/2005	1.0	66d	Hrs: auditing the 775 tail leased aircraft / executory

EXHIBIT B-2 - Additional Audit Services

ATA HOLDINGS CORP.
 ERNST & YOUNG LLP
 DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES
 FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005

Name	Date	Time	PCD	Description
Baumann, Adam Total		<u>1.0</u>		
Dunlap, Melissa				
	1/19/2005	11.5	66d	Hrs Assessment of client's accounting for the longterm prepaid aircraft rent and deferred costs adjustment due to restructuring
	1/20/2005	4.5	66d	Hrs Assessment of client's accounting for the longterm prepaid aircraft rent and deferred costs adjustment due to restructuring
	1/22/2005	1.0	66d	Hrs Complete prepaid aircraft rent and deferred costs adjustment due to restructuring
Dunlap, Melissa Total		<u>17.0</u>		
Total Additional Audit Services - Application of FAS 142 and 144		<u>65.3</u>		
GRAND TOTAL		<u>206.8</u>		

EXHIBIT B-3 - Additional Audit Services

ATA HOLDINGS CORP.
 ERNST & YOUNG LLP
 SUMMARY OF EXPENSES-ADDITIONAL AUDIT SERVICES
 FOR THE PERIOD OCTOBER 26, 2004 THROUGH JANUARY 28, 2005

Name	Period Ending	Expense Type				Description	Total
		Ground	Air Travel	Meals	Lodging		
		-	-	-	-		-
Total Additional Audit Expenses		\$ -	\$ -	\$ -	\$ -		\$ -

EXHIBIT 2



INVOICE NUMBER: US0122842714

April 11, 2005

Gilbert F. Viets
Executive Vice President and CFO
ATA Holdings Corp.
7337 West Washington Street
Indianapolis, IN 46251-0609

PLEASE REMIT TO:

Ernst & Young
Bank of America – Chic. 96550
P.O. Box 96550
Chicago, IL 60693

EIN: 34-6565596

BU: US002 CLIENT NUMBER: 60017535

Progress bill #3 for services rendered in connection with our audit of the financial statements of ATA Holdings Corp for the year ended December 31, 2004 as set forth in our engagement letter dated December 17, 2004.

Total Due

\$27,500

PLEASE PAY BY INVOICE NUMBER AND ENCLOSE REMITTANCE COPY
DUE UPON RECEIPT

CLIENT COPY

Exhibit 2 - 2004 Annual Audit

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
SUMMARY OF TIME BY PROFESSIONAL-2004 ANNUAL AUDIT
FOR THE PERIOD JANUARY 29, 2005 THROUGH MARCH 4, 2005

<u>Professional</u>	<u>Position</u>	<u>Hours</u>
Jim Pease	Partner	19.8
Michael Porter	Partner	3.0
Shari Richey	Partner	2.0
Todd Barrett	Sr. Manager	21.2
Matthew Peters	Sr. Manager	6.1
Amadou Yattassaye	Manager	5.5
Jennifer Taylor	Senior	1.5
Kyshia Gold	Senior	37.0
Adam Baumann	Staff	10.0
Steven Teegarden	Staff	29.2
Melissa Dunlap	Staff	10.0
	Total	<u>145.3</u>

Exhibit 2 - 2004 Annual Audit

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
SUMMARY OF TIME FOR 2004 ANNUAL AUDIT
FOR THE PERIOD JANUARY 29, 2005 THROUGH MARCH 4, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
64	Audit of Financial Statement Accounts and Related Matters	145.3
	Total Hours	<u>145.3</u>

Exhibit 2 - 2004 Annual Audit

ATA HOLDINGS CORP.
 ERNST & YOUNG LLP
 DETAIL OF TIME BY PROFESSIONAL--2004 Annual Audit
 FOR THE PERIOD JANUARY 29, 2005 THROUGH MARCH 4, 2005

Name	Date	Time	PCD	Description
Pease, Jim				
	1/29/2005	0.5	64	Hrs: Workpaper review and documentation
	2/4/2005	1.0	64	Hrs: Workpaper review and documentation
	2/10/2005	5.0	64	Hrs: review audit workpapers
	2/11/2005	3.0	64	Hrs: review audit workpapers
	2/12/2005	2.0	64	Hrs: review audit workpapers
	2/14/2005	1.3	64	Hrs: review selected audit workpapers
	2/14/2005	1.2	64	Hrs: review draft of financial statements/ meet with Gil Viets and Wisty Malone of ATA to review
	2/15/2005	1.3	64	Hrs: review workpapers
	2/21/2005	1.5	64	Hrs: review annual report footnotes and plan for meeting with ATA personnel regarding the 2004 10-K.
	2/22/2005	1.0	64	Hrs: review ATA, United and US Air 10-K's
	2/23/2005	2.0	64	Hrs: review workpapers, draft of 10-K and financial statements, participation in meeting with ATA personnel regarding same, including Todd Barrett (EY).
	Pease, Jim Total	19.8		
Porter, Michael				
		3.0	64	Review TSRS workpapers in AWS and sign-off
	Porter, Michael Total	3.0		
Richey, Shari				
	1/31/2005	2.0	64	Hrs: Provision review and documentation of significant items (1.1 hr); Detail review of workpapers (0.9hr)
	Richey, Shari Total	2.0		
Barrett, Todd				
	1/29/2005	6.5	64	Hrs: workpaper review in field
	2/10/2005	5.2	64	Hrs: workpaper review in field
	2/11/2005	3.3	64	Hrs: workpaper review in field
	2/22/2005	0.3	64	Hrs: telephone call with Christine Smith (ATA) regarding status of open items from audit, including their posting of three additional adjusting journal entries to 2004
	2/23/2005	0.5	64	Hrs: prepare for ARS/Form 10-K drafting meeting.
	2/23/2005	3.6	64	Hrs: Meeting with Jim Pease (EY), Wisty Malone, Chris Smith and Stewart Bell (ATA) to review draft of ARS/Form 10-K for 2004; also reviewed and updated reporting timeline.
	2/24/2005	0.3	64	Hrs: Review client's ARS/Form 10-K reporting timeline, just revised on 2/23/05.

Exhibit 2 - 2004 Annual Audit

Name	Date	Time	PCD	Description
	2/24/2005	1.5	64	Hrs: Meeting with Glen Baker, Steve Heining and Paul Smith (all ATA) and Amadou Yattassaye (EY) regarding the IT segment of the financial statement audit and to review our findings on internal control with respect to the IT environment (hours include my preparation time).
Barrett, Todd Total		21.2		
Peters, Matthew				
	2/9/2005	2.2	64	Hrs: review updated FAS 109 workpapers with Lisa Bailey (ATA)
	2/10/2005	2.6	64	Hrs: Further update of workpapers for FAS 109 due to subsequent adjustments made by ATA
	2/25/2005	1.3	64	Hrs: Complete tax provision checklist and tax summary review memorandum
Peters, Matthew Total		6.1		
Yattassaye, Amadou				
	2/2/2005	4.0	64	Hrs: Partner Review Note Clearance
	2/24/2005	1.5	64	Hrs: Participation in IT related findings meeting with Todd Barret (EY) and ATA Information Systems personnel.
Yattassaye, Amadou Total		5.5		
Taylor, Jennifer				
	1/29/2005	1.5	64	Hrs: Additional review comment clearing, including updates to TSRS documentation and audit files
Taylor, Jennifer Total		1.5		
Gold, Kyshia				
	1/29/2005	8.0	64	Hrs: 3 hrs.- debt; 5 hrs. - leases
	2/12/2005	1.0	64	Hrs: 1hr.- documentation review and update
	2/14/2005	10.0	64	Hrs: 2 hr. - debt confirmations; 6 hrs. - leases; 2 hr. - subsidiary
	2/15/2005	10.0	64	Hrs: 5.5 hrs. - leases; 1.5 hr. - debt confirmations; 1.6 hr. - Accounts Payable; 1.4 hr. - Accounts Receivable
	2/16/2005	8.0	64	Hrs: 4.8 hrs. - accruals; 1.2 hrs. - Accounts Payable; 2 hrs. - debt
Gold, Kyshia Total		37.0		
Baumann, Adam				
	1/29/2005	10.0	64	Hrs: Completion of audit procedures for Expenses and Revenues
Baumann, Adam Total		10.0		
Teegarden, Steven				
		9.6	64	Hrs: 3.2 hrs. - Subsidiary Elimination Adjustments (Income Statements) 3.6 hrs. - Subsidiary Elimination Adj. (Balance Sheets) 2.2 hrs. - Cash Disbursements made in 1/05 0.6 hrs. - Obtaining Acc. Pay. Confirmations

Exhibit 2 - 2004 Annual Audit

<u>Name</u>	<u>Date</u>	<u>Time</u>	<u>PCD</u>	<u>Description</u>
		11.2	64	Hrs: 2.8 hrs. - Subsidiary Accounts, matching eliminating adjustment schedule amounts to income statement amounts 1.8 hrs. - Matching cash disbursements (up to 2/10/05) with supporting documents 6.6 hrs. - Calculating and analyzing Subsidiary Accounts
		8.4	64	Hrs: 1.8 hrs - Reviewed and documented IBNR (incurred but not recorded) health benefit fluctuations versus prior year 3.2 hrs. - Investigated and matched outstanding accounts payable amounts to invoices, and determined which amounts need to be further explained 3.4 hrs. - Documentation of accounts payable confirmations, comments on cash disbursement made in 1/05
Teegarden, Steven Total		<u>29.2</u>		
Dunlap, Melissa	1/29/2005	10.0	64	Hrs: Audit steps for Expenses and Revenues
Dunlap, Melissa Total		<u>10.0</u>		
Total Hours		<u><u>145.3</u></u>		

Exhibit 2 - 2004 Annual Audit

ATA HOLDINGS CORP.
 ERNST & YOUNG LLP
 SUMMARY OF EXPENSES-2004 ANNUAL AUDIT
 FOR THE PERIOD JANUARY 29, 2005 THROUGH MARCH 4, 2005

Name	Period Ending	Expense Type				Description	Total
		Ground	Air Travel	Meals	Lodging		
		-	-	-	-		.
		-	-	-	-		.
	Total	\$ -	\$ -	\$ -	\$ -		\$ -

EXHIBIT 3



INVOICE NUMBER: US0122842728

April 11, 2005

Gilbert F. Viets
Executive Vice President and CFO
ATA Holdings Corp.
7337 West Washington Street
Indianapolis, IN 46251-0609

PLEASE REMIT TO:

Ernst & Young
Bank of America -- Chic. 96550
P.O. Box 96550
Chicago, IL 60693

EIN: 34-6565596

BU: US002 CLIENT NUMBER: 60017535

For services rendered through March 4, 2005 in connection with the following:

Time incurred by E&Y professionals to perform the parties-in-interest connections check and prepare appropriate documents for E&Y retention as auditors for ATA bankruptcy case. \$1,755

Assistance to the Company in its application of AICPA Statement of Position 90-7 ("SOP 90-7"), *Financial Reporting by Entities in Reorganization Under the Bankruptcy Code*, including related evaluations thereof. SOP 90-7, issued in 1990, provides guidance on financial reporting by entities that have filed petitions with the Bankruptcy Court and expect to reorganize as going concerns under Chapter 11 of title 11 of the United States Code; the provisions contained therein allow entities to adequately reflect all changes in their financial condition caused by the proceeding. Specifically, separate reporting of gains and losses directly related to the reorganization of the Company as a direct result of the proceeding and the estimation of losses resulting from the rejection and/or modification of executory contracts. 25,572

Time incurred by E&Y professionals to review and and/or modified agreements ensuing as a direct result of the Company's reorganization. 4,797

Time incurred by E&Y professionals to review the Company's application of Statements of Financial Accounting Standards No. 142 ("FAS 142"), *Goodwill and Other Intangible Assets*, and No. 144 ("FAS 144"), *Accounting for the Impairment or Disposal of Long-Lived Assets*. The bankruptcy and restructuring of the Company resulted in the application of FAS 142 and FAS 144 to recognize the impairment of various Company assets. 690

Total Due **\$32,814**

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EXHIBIT 3 - Additional Audit Services

ATA HOLDINGS CORP.
 ERNST & YOUNG LLP
 SUMMARY OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES
 FOR THE PERIOD JANUARY 29, 2005 THROUGH MARCH 4, 2005

Additional Audit Services - Bankruptcy Retention

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Todd Barrett	Senior Manager	3.9	\$450	\$1,755
		3.9		\$1,755
	Expenses			\$0
	Total	3.9		\$1,755

Additional Audit Services - Application of SOP 90-7

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Jim Pease	Partner	15.3	\$695	\$10,634
Stephen Stenbeck	Partner	0.5	\$695	\$347
Shari Richey	Partner	2.3	\$634	\$1,458
Isaac Sparka	Principal (National Tax-Lease Subject Matter Expert)	2.2	\$695	\$1,529
Matt Peters	Senior Manager	1.8	\$555	\$999
Todd Barrett	Senior Manager	19.6	\$450	\$8,820
Kyshia Gold	Senior	7.0	\$255	\$1,785
		48.7		\$25,572
	Expenses			\$0
	Total	48.7		\$25,572

Additional Audit Services - Review of New/Modified Agreements

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
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EXHIBIT 3 - Additional Audit Services

Jim Pease	Partner	2.2	\$695	\$1,529
Stephen Stenbeck	Partner	1.5	\$695	\$1,043
David Dickson	Partner (EY Airline Industry Group)	1.0	\$695	\$695
Todd Barrett	Senior Manager	<u>3.4</u>	\$450	<u>\$1,530</u>
		8.1		\$4,797
	Expenses			\$0
	Total	<u>8.1</u>		<u>\$4,797</u>

Additional Audit Services - Application of FAS 142 and 144

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Todd Barrett	Senior Manager	0.5	\$450	\$225
Jennifer Taylor	Senior	<u>1.5</u>	\$310	<u>\$465</u>
		2.0		\$690
	Expenses			\$0
	Total	<u>2.0</u>		<u>\$690</u>
	GRAND TOTAL	<u>62.7</u>		<u>\$32,814</u>

EXHIBIT 3 - Additional Audit Services

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
SUMMARY OF TIME BY PROJECT CODE - ADDITIONAL AUDIT SERVICES
FOR THE PERIOD JANUARY 29, 2005 THROUGH MARCH 4, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
66a	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Bankruptcy Retention	3.9
66b	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Application of SOP 90-7	48.7
66c	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Review of New/Modified Agreements	8.1
66d	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Application of FAS 142 and 144	2.0
	Total Hours	<u>62.7</u>

EXHIBIT 3 - Additional Audit Services

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES
FOR THE PERIOD JANUARY 29, 2005 THROUGH MARCH 4, 2005

Name	Date	Time	PCD	Description
Additional Audit Services - Bankruptcy Retention				
Barrett, Todd				
	1/31/2005	1.0	66a	Hrs. First monthly fee statement preparation
	2/2/2005	1.3	66a	Hrs. Review fee application detail for billing
	2/8/2005	0.8	66a	Hrs. Review of fee application
	2/16/2005	0.3	66a	Hrs. Timekeeping detail and analysis for fee application
	2/17/2005	0.5	66a	Hrs. Fee analysis and correspondence regarding draft fee application
	Barrett, Todd Total	3.9		
Total Additional Audit Services - Bankruptcy Retention				
		3.9		
Additional Audit Services - Application of SOP 90-7				
Pease, Jim				
	2/1/2005	1.0	66b	Hrs. discuss impairment of leased airplane issues with Gil Viets, Wisty Malone, Christ Smith (ATA) and Todd Barrett (EY)
	2/10/2005	1.5	66b	Hrs. review workpapers regarding asset impairments, lease prepaid/termination charges
	2/11/2005	2.0	66b	Hrs. meet with Wisty Malone, Christ Smith and Stewart Bell (all ATA) and Todd Barrett (EY) to discuss accounting for lease termination and application of FAS144 and FAS 5
	2/11/2005	0.5	66b	Hrs. review listing and workpapers with respect to a liability subject to compromise
	2/11/2005	1.5	66b	Hrs. Research regarding the lease termination accounting
	2/12/2005	2.5	66b	Hrs. Review client analysis of lease termination calculations, including estimated lessor damage claims. Review balance sheet and operations statements for classification of bankruptcy items.
	2/12/2005	0.5	66b	Hrs. review of lease documentation. Discussions with Todd Barrett and Steve Stenbeck (both EY) accounting for lease terminations.
	2/12/2005	1.5	66b	Hrs. review liabilities subject to compromise schedules
	2/14/2005	0.3	66b	Hrs. Discussions with Gil Viets (ATA) and Todd Barrett regarding the accounting for leased aircraft claims
	2/14/2005	0.6	66b	Hrs. review BMC website for aircraft lease claims
	2/14/2005	1.2	66b	Hrs. preparation for and meeting with Wisty Malone, Christ Smith (ATA), Terry Hall (Baker & Daniels) and Todd Barrett (EY) regarding accounting for leased aircraft accounting charges
	2/15/2005	0.2	66b	Hrs. review revised lease termination claims and related tax claims with Todd Barrett (EY)
	2/23/2005	1.5	66b	Hrs. Review accounting and disclosures regarding lease terminations, reorganization costs, and going concern opinion
	3/4/2005	0.5	66b	Hrs. Lease accounting issues and review of documentation
		15.3		
Stenbeck, Stephen				
	2/12/2005	0.5	66b	Hrs. With Jim Pease and Todd Barrett (EY) regarding bankruptcy accounting and restructuring plans
	Stenbeck, Stephen Total	0.5		
Richey, Shari				
	3/2/2005	1.1	66b	Hrs. Meeting with Todd Barrett (EY) to go through items related to 467 leases and loss implications.
	3/3/2005	1.2	66b	Hrs. Conference call with Isaac Sperka and Todd Barrett (both E&Y) regarding 467 accounting method change, aircraft damage claim accrual and viability of estimating 467 loan amount for year end purposes.
	Richey, Shari Total	2.3		
Sperka, Isaac				
	3/3/2005	2.2	66b	Hrs. Preparation for and participation in conference call with S Richey and T Barrett (both E&Y) regarding change in accounting method and IRC section 467 impact of same, and prepaid rent balance impact on contingent obligations upon return of aircraft and the impact of section 467 and interim rents on same.
	Sperka, Isaac Total	2.2		
Peters, Matt				
	2/9/2005	1.8	66b	Hrs. review of fixed asset analysis for deferred tax liability review with Lisa Bailey (ATA)
	Peters, Matt Total	1.8		
Barrett, Todd				
	1/29/2005	1.0	66b	Hrs. SOP 90-7 Review client's BATA memo documenting changes in assumptions (bankruptcy driven) - meet with Stewart Bell (ATA) regarding the same
	2/1/2005	1.0	66b	Hrs. SOP 90-7. Conference call with ATA regarding treatment of aircraft lease long-term prepaid assets as a result of subsequent lease negotiations in the Bankruptcy process (with Gil Viets, Wisty Malone, Chris Smith (ATA) and Jim Pease (EY)).

EXHIBIT 3 - Additional Audit Services

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES
FOR THE PERIOD JANUARY 29, 2005 THROUGH MARCH 4, 2005

Name	Date	Time	PCD	Description
	2/1/2005	0.5	66b	Hrs. With Wisty Malone (ATA) to review 8-K filing rules in response to possible Chicago Express disposition
	2/9/2005	0.4	66b	Hrs. Telephone call with Lisa Bailey (ATA Director of Tax) regarding status of tax loss contingency reserve and responsible party in light of client's bankruptcy position
	2/11/2005	0.8	66b	Hrs. SOP 90-7 review client's memo documentation basis for including various losses and impairment charges within reorganization items of the income statement - per paragraph 28 of SOP 90-7
	2/11/2005	1.8	66b	Hrs. SOP 90-7 meet with Wisty Malone, Chris Smith and Jim Pease regarding treatments of additional leased aircraft and the Chicago Express subsidiary, due to subsequent company developments of their restructuring plans.
	2/12/2005	0.5	66b	Hrs. Telemeeting with Jim Pease and Steve Stenbeck (both E&Y) regarding client treatments of additional leased aircraft and Chicago Express subsidiary, due to subsequent company developments of their restructuring plans.
	2/12/2005	0.1	66b	Hrs. Correspond with client to request supplemental analysis of their proposed accounting adjustments on the aircraft leases and lessor damage claims
	2/12/2005	0.3	66b	Hrs. Draft email correspondence to EY's airline industry segment leader to assist with our analysis of the company's proposed accounting for estimated losses for aircraft lessor damage claims.
	2/14/2005	0.3	66b	Hrs. SOP 90-7 pull together revised reorganization cost items schedule and revised financial statement tops for meeting with client
	2/14/2005	1.8	66b	Hrs. SOP 90-7 review ATA lessor damage claims estimates, including sample of original lease agreements (one GECC, one BCC), discuss with client the 467 tax implications to consider.
	2/14/2005	0.9	66b	Hrs. SOP 90-7 meet with Jim Pease (EY) and ATA's CFO to update him (Gil Viets). Meeting with Wisty Malone and Chris Smith to review updated fleet plan, rejected accounting leases and accounting for estimated lessor damage claims; also reviewed draft MOR to be filed with bankruptcy court.
	2/14/2005	0.3	66b	Hrs. SOP 90-7 With Chris Smith (ATA) regarding their forecast for '05, part of their fleet and operating plan pursuant to their restructuring.
	2/14/2005	1.3	66b	Hrs. SOP 90-7 Meet with client (Wisty Malone, Chris Smith and Stewart Bell) and Jim Pease to review updated fleet plan, rejected accounting leases and accounting for estimated lessor damage claims - also with ATA counsel Baker & Daniels/Terry Hall regarding same
	2/14/2005	0.1	66b	Hrs. SOP 90-7 with Christine Smith (ATA) to set up meeting with ATA Vice President, Controller and Treasurer - overview of agenda for the meeting
	2/15/2005	0.8	66b	Hrs. SOP 90-7. Telephone call with Stewart Bell and Lisa Bailey (ATA) regarding their updated estimates for the 467 lessee loan balance in the rejected tax aircraft leases
	2/15/2005	0.3	66b	Hrs. SOP 90-7 Review updated draft MOR, correspond with client regarding same.
	2/15/2005	0.2	66b	Hrs. SOP 90-7 Meet with Jim Pease (EY) to update him on client's estimates for the 467 lessee loan balance in the rejected tax aircraft leases
	2/15/2005	0.3	66b	Hrs. SOP 90-7. Telephone call with Stewart Bell and Lisa Bailey (ATA) regarding their preliminary estimates for the 467 lessee loan balance in the rejected tax aircraft leases; reviewed their detail schedule and considerations therein
	2/15/2005	0.6	66b	Hrs. SOP 90-7. Telephone call with Wisty Malone and Stewart Bell (ATA) regarding the problems with insufficient data necessary to conclude on the estimates for the 467 lessee loan balance in the rejected tax aircraft leases
	2/16/2005	0.3	66b	Hrs. SOP 90-7. Meet with Chris Smith and Lisa Bailey (ATA) to review their additional considerations about the 467 tax leases and estimates of lessor damage claims.
	2/16/2005	1.8	66b	Hrs. SOP 90-7. Examined original accounting lease agreements at ATA's legal department to test the calculation of the estimate of the lessor damage claims.
	2/16/2005	1.5	66b	Hrs. SOP 90-7. Test and document the calculation of the estimate of the lessor damage claims.
	2/23/2005	0.3	66b	Hrs. SOP 90-7. With Chris Smith (ATA) to review draft lease agreements containing reserve payments for maintenance on accounting - review proposed accounting treatment.
	3/2/2005	1.1	66b	Hrs. SOP 90-7. Meeting with Shari Richey (EY) to review 467 tax leases because of estimated damage loss implications.
	3/3/2005	1.3	66b	Hrs. SOP 90-7 Telephone meeting with Isaac Sperka (EY national office/467 lease subject matter expert) and Shari Richey (E&Y) to review client's 467 method change and implications on lessor damage claim estimates
Barrett, Todd Total		<u>19.6</u>		
Gold, Kyshia				
	2/12/2005	3.0	66b	Hrs. Work associated with lessor damage accrual
	2/16/2005	4.0	66b	Hrs. Work associated with lessor damage accrual
Gold, Kyshia Total		<u>7.0</u>		
Total Additional Audit Services - Application of SOP 90-7		<u>48.7</u>		

Additional Audit Services - Review of New/Modified Agreements

Pease, Jim				
	2/14/2005	1.7	66c	Hrs: read and review aircraft lease agreement stipulation loss sections
	2/15/2005	0.5	66c	Hrs: review revised lease termination claims
		<u>2.2</u>		
Stenbeck, Stephen				
	2/24/2005	1.5	66c	Hrs: Correspondence with Todd Barrett (EY) regarding lease agreement inclusive of maintenance coverage.

EXHIBIT 3 - Additional Audit Services

ATA HOLDINGS CORP.
ERNST & YOUNG LLP
DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES
FOR THE PERIOD JANUARY 29, 2005 THROUGH MARCH 4, 2005

Name	Date	Time	PCD	Description
Stenbeck, Stephen Total		<u>1.5</u>		
Dickson, David				
	2/25/2005	1.0	66c	Review of lease deposit accounting
Dickson, David Total		<u>1.0</u>		
Barrett, Todd				
	2/24/2005	1.8	66c	Hrs. New agreements. Review draft lease agreement inclusive of maintenance coverage (with GATX) because the base lease contains provisions requiring airline to pay into a maintenance reserve fund - evaluate separate accounting under current airline heavy
	2/24/2005	0.5	66c	Hrs. New agreements. Follow up correspondence regarding the draft lease agreement inclusive of maintenance coverage (with GATX) with Dave Dickson of EY's airline group and Steve Stenbeck (EY)
	2/25/2005	0.8	66c	Hrs. New agreements. Discuss lease agreement inclusive of maintenance coverage (with GATX) because the base lease contains provisions requiring airline to pay into a maintenance reserve fund - evaluate separate accounting under current airline heavy maintenance
	2/25/2005	0.3	66c	Hrs. New agreements. Telephone call with Dave Dickson (EY) regarding the draft lease agreement inclusive of maintenance coverage (with GATX)
Barrett, Todd Total		<u>3.4</u>		
Total Additional Audit Services - Review of New/Modified Agreements		<u><u>8.1</u></u>		

Additional Audit Services - Application of FAS 142 and 144

Barrett, Todd				
	1/29/2005	0.5	06d	Update and complete audit procedures on goodwill impairment (ATALC & Cargo) - with Stewart Bell (ATA) and Jennifer Taylor (EY)
Barrett, Todd Total		<u>0.5</u>		
Taylor, Jennifer				
	1/29/2005	1.5	06d	Hrs: complete goodwill impairment testing (impairment of ATALC)
Taylor, Jennifer Total		<u>1.5</u>		

Total Additional Audit Services - Application of FAS 142 and 144 2.0

GRAND TOTAL 62.7

EXHIBIT 3 - Additional Audit Services

ATA HOLDINGS CORP.
 ERNST & YOUNG LLP
 SUMMARY OF EXPENSES-ADDITIONAL AUDIT SERVICES
 FOR THE PERIOD JANUARY 29, 2005 THROUGH MARCH 4, 2005

Name	Period Ending	Expense Type				Description	Total
		Ground	Air Travel	Meals	Lodging		
		-	-	-	-		-
Total Additional Audit Expenses		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>