

# **EXHIBIT 3**

**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
	)	

**THIRD INTERIM FEE APPLICATION OF  
ERNST & YOUNG LLP FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES AS AUDITORS TO THE DEBTORS  
FROM JULY 1, 2005 THROUGH OCTOBER 31, 2005**

Name of applicant:	<u>ERNST &amp; 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>July 1, 2005 to October 31, 2005</u>
Amount of compensation sought as actual, reasonable and necessary	<u>\$ 143,283.00</u>
Amount of expense reimbursement sought as actual, reasonable and necessary:	<u>\$ 0.00</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
	)	

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

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Ernst & Young hereby makes its third interim fee application (the "Application") for the allowance of professional fees incurred as auditors for the above-captioned debtors during the period from July 1, 2005 through October 31, 2005 (the "Third 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 Court, by Order dated September 19, 2005, also approved the Debtors' retention of Ernst & Young LLP as tax advisors for the Debtors (the "Ernst & Young LLP Supplemental Retention Order"). Through the Ernst & Young LLP Supplemental Retention Order, this Court approved flat tax fees to Ernst & Young LLP for the rendering of tax services to Debtors, in accordance with the terms of Ernst & Young LLP's Engagement Letter dated June 14, 2005. In addition, the Ernst & Young LLP Supplemental Retention Order approved fees to Ernst & Young LLP for the rendering of additional tax services (the "Additional Tax 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 June 14, 2005 and to receive payment for the Additional Tax Services in addition to the flat tax fees.

3. 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 filed by Ernst & Young LLP is seeking compensation and reimbursement of expenses incurred for the Third Application Period and payment from the Debtors for such services and expenses as follows:

a. Compensation of \$143,283.00, representing all fees for services performed on behalf of the Debtors during the Third Application Period (the “Third Interim Application Request”).

b. 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 July 1, 2005 through October 31, 2005.

4. On July 26, 2005 Ernst & Young LLP filed its second application for interim allowance of professional fees of \$100,137.00 and reimbursement of expenses of \$0.00 for the period March 5, 2005 through June 30, 2005 (the “Second Application Period”). On September 19, 2005, the Court entered an order allowing interim compensation in the amount of \$100,137.00 and allowing reimbursement of expenses in the amount of \$0.00. On November 7, 2005, the Debtors paid a total of \$21,817.80 representing the difference between the amount allowed in the Court Order and the amounts previously paid by the Debtors to Ernst & Young LLP for services performed and expenses incurred during the First Application Period.

5. On August 23, 2005 Ernst & Young LLP filed its Notice Of Invoice Of Ernst & Young LLP, Auditors and Tax Advisors for Debtors for the period July 1, 2005 through June 30, 2005 (the “July 2005 Notice”) seeking approval and allowance of Additional Audit Services totaling \$46,743.00. A copy of the July 2005 Notice is attached as Exhibit 1. On October 5, 2005, the Debtors paid a total of \$37,394.40 (representing 80% of fees) to Ernst & Young LLP for Additional Audit Services for the period July 1, 2005 through July 31, 2005. The Debtors withheld \$9,348.60 of the fees from the July 2005 Notice (the “July 2005 Notice Hold-back

Amount”), which represents the 20% holdback for the fees incurred from July 1, 2005 through July 31, 2005.

6. On September 20, 2005 Ernst & Young LLP filed its Notice Of Invoice Of Ernst & Young LLP, Auditors and Tax Advisors for Debtors for the period August 1, 2005 through August 31, 2005 (the “August 2005 Notice”) seeking approval and allowance of Additional Audit Services totaling \$15,154.00. A copy of the August 2005 Notice is attached as Exhibit 2. On November 7, 2005, the Debtors paid a total of \$12,123.20 (representing 80% of fees) to Ernst & Young LLP for Additional Audit Services for the period August 1, 2005 through August 31, 2005. The Debtors withheld \$3,030.80 of the fees from the August 2005 Notice (the “August 2005 Notice Hold-back Amount”), which represents the 20% holdback for the fees incurred from August 1, 2005 through August 31, 2005.

7. On October 20, 2005 Ernst & Young LLP filed its Notice Of Invoice Of Ernst & Young LLP, Auditors and Tax Advisors for Debtors for the period September 1, 2005 through September 30, 2005 (the “September 2005 Notice”) seeking approval and allowance of a flat tax fee for the review of the federal income tax return of \$10,000.00, a flat tax fee for the change in accounting methods of \$9,500.00, a flat tax fee for the preparation of the Puerto Rico tax returns by Ernst & Young Puerto Rico LLP, of \$7,100.00 and Additional Tax Services totaling \$10,263.00 for a total of \$36,863.00. A copy of the September 2005 Notice is attached as Exhibit 3. On November 7, 2005, the Debtors paid a total of \$29,490.40 (representing 80% of fees) to Ernst & Young LLP for the flat tax fees and Additional Tax Services for the period September 1, 2005 through September 30, 2005. The Debtors withheld \$7,372.60 of the fees from the September 2005 Notice (the “September 2005 Notice Hold-back Amount”), which

represents the 20% holdback for the fees incurred from September 1, 2005 through September 30, 2005.

8. In addition to the Monthly Notices discussed in Paragraphs 4-7, Ernst & Young LLP incurred time for the period from October 1, 2005 through October 31, 2005 for the rendering of Additional Audit Services totaling \$44,523.00 for the period October 1, 2005 through October 31, 2005. Detail of time incurred in connection with the rendering of Additional Audit Services is attached here to as Exhibit 4.

9. Ernst & Young LLP is currently owed a total of \$64,275.00 in unpaid fees and expenses incurred for the Third Application Period, which consists of (a) \$9,348.60 representing the July 2005 Notice Hold-back Amount, (b) \$3,030.80 representing the August 2005 Notice Hold-back Amount, (c) \$7,372.60 representing the September 2005 Notice Hold-back Amount, and (d) \$44,523.00 representing Additional Audit Services rendered for the period from October 1, 2005 through October 31, 2005. Accordingly, Ernst & Young LLP seeks Court authorization for the Debtors payment of the amount of \$64,275.00.

10. Other than the payments noted in paragraphs 4-7 above, during the Third 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.

11. As described in the attached Exhibits 1 through 5, Ernst & Young LLP professionals billed their time to eight (8) distinct subject matter categories. Below is a summary of the activities performed by Ernst & Young LLP professionals during the Third 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: 2.4)

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: 2.8)

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: 45.3)

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 66e – Quarterly Reviews of the Consolidated Financial Statements of ATA Holdings Corp., included in its Quarterly Reports on Form 10-Q: (Total Hours: 256.9)

Ernst & Young LLP performed services with respect to completing procedures related to the review of the March 31, 2005 unaudited interim financial information before the Debtors filed its Form 10-Q.

PCD 68a – Review Procedures of the U.S. Federal Income Tax Return of ATA Holdings Corp.: (Total Hours: 32.6)

Ernst & Young LLP performed certain review procedures with respect to the U.S. federal income tax return of ATA Holdings Corp.

PCD 68b – Completion of Certain Changes in the Accounting Methods of ATA Holdings Corp.: (Total Hours: 27.2)

Ernst & Young LLP assisted the Debtors in requesting a change of accounting method by drafting and filing the Form 3115 which is filed with and approved by the Internal Revenue Service. The method change involves the lease rental deductions for federal income tax purposes in accordance with Section 467 of the Internal Revenue Code, as amended and the Treasury regulations promulgated thereunder.

PCD 68c – Completion of Procedures Related to the Preparation of the Puerto Rico Income Tax Return of ATA Airlines, Inc.: (Total Hours: 28.8)

Ernst & Young Puerto Rico LLP, an affiliate of Ernst & Young LLP, assisted the Debtor by preparing the Puerto Income Tax return and related extension, the Puerto



Rico Estimated Tax Declaration and related extension, and the Puerto Rico Corporate Annual Report and related extension.

PCD 68d – Consultation Regarding Accounting Issues and Other Procedures Outside of the Tax-Bankruptcy Retention: (Total Hours: 17.3)

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 tax advisors for the Debtors and preparing and submitting Monthly Notices to the Debtors.

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

13. 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.

14. 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.

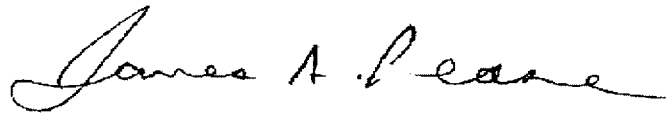
**WHEREFORE**, Ernst & Young LLP respectfully requests that an Order be entered authorizing and approving:

- A. Interim compensation in the amount of \$143,283.00, incurred in connection with services rendered to the Debtors from July 1, 2005 through and including October 31, 2005.
- B. Authorizing and directing prompt payment from the Debtors to Ernst & Young LLP of \$64,275.00, which is comprised of the July 2005 Notice Hold-back Amount of \$9,348.60, the August 2005 Notice Hold-back

Amount of \$3,030.80, the September 2005 Notice Hold-back Amount of \$7,372.60, and all Allowed Fees and Expenses from October 1, 2005 through October 31, 2005 of \$44,523.00.

Dated: November 30, 2005

ERNST & YOUNG LLP

A handwritten signature in cursive script that reads "James A. Pease".

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James A. Pease  
Partner  
ERNST & YOUNG LLP  
111 Monument Circle, Suite 2600  
Indianapolis, IN 46204  
Tel: (317) 681-7311  
Fax: (317) 681-7358  
Auditors to Debtors

**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 THIRD INTERIM FEE APPLICATION OF ERNST & YOUNG  
LLP FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
FROM JULY 1, 2005 THROUGH AND INCLUDING OCTOBER 31, 2005**

Upon consideration of the Third Interim Application of Ernst & Young LLP for Allowance of Interim Compensation for Services Rendered for the Period July 1, 2005 through October 31, 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 \$140,504.00 for services performed for the Debtors during the period from July 1, 2005 through October 31, 2005, is allowed interim compensation in the amount of \$143,283.00 for such services.

(2) The Debtors are authorized and directed to pay to Ernst & Young LLP, as compensation for services performed incurred from July 1, 2005 through October 31, 2005, the total amount awarded hereunder (\$143,283.00) less any amounts previously paid by the Debtors

to Ernst & Young LLP for services performed and expenses incurred during the period of July 1, 2005 through October 31, 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: December \_\_\_\_, 2005

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Honorable Basil H. Lorch  
UNITED STATES BANKRUPTCY JUDGE

# **EXHIBIT 1**



August 23, 2005

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

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 July 1, 2005 through July 31, 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. Detail of time and actual expenses incurred in connection with the rendering of audit services during the Compensation Period is attached hereto as Exhibit "A". E&Y LLP is not requesting payment of any fixed audit fees or reimbursement of actual expenses with this monthly statement. Time detail included as Exhibit "A" is for informational purposes only. 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 July 1, 2005 through July 31, 2005, the amount of these fees to E&Y LLP is \$46,743.00. 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 \$37,394.40, representing 80% of additional audit service fees of \$46,743.00. Unless any such party objects to the Monthly Fee Request, in whole or in part, on or before September 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.

# EXHIBIT A

Exhibit A - 2004 Annual Audit

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
SUMMARY OF TIME BY PROFESSIONAL-2004 ANNUAL AUDIT  
FOR THE PERIOD JULY 1, 2005 THROUGH JULY 31, 2005

<u>Professional</u>	<u>Position</u>	<u>Hours</u>
Todd Barrett	Senior Manager	<u>1.9</u>
	<b>Total</b>	<b><u><u>1.9</u></u></b>



Exhibit A - 2004 Annual Audit

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
SUMMARY OF TIME FOR 2004 ANNUAL AUDIT  
FOR THE PERIOD JULY 1, 2005 THROUGH JULY 31, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
64	Audit of Financial Statement Accounts and Related Matters	1.9
	<b>Total Hours</b>	<b><u>1.9</u></b>

Exhibit A - 2004 Annual Audit

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 DETAIL OF TIME BY PROFESSIONAL--2004 Annual Audit  
 FOR THE PERIOD JULY 1, 2005 THROUGH JULY 31, 2005

<u>Name</u>	<u>Date</u>	<u>Time</u>	<u>PCD</u>	<u>Description</u>
Barrett, Todd				
	7/12/2005	0.5	64	Hrs: PFC. Correspond with Lisa Bailey (ATA) regarding questions on meetings and internal control assessment over PFCs; pull copy of AT601 and provide to client.
	7/14/2005	0.9	64	Hrs: PFC. Prepare addendum memo for CC4016 and going concern reporting considerations.
	7/18/2005	0.5	64	Hrs: PFC. Consultation with professional practice regarding going concern issue.
<b>Barrett, Todd Total</b>		<u>1.9</u>		
<b>Total Hours</b>		<u>1.9</u>		



# **EXHIBIT B**



INVOICE NUMBER: US0122945350

August 23, 2005

ATA Holdings Corporation  
Mr. Frank Conway  
7337 West Washington St  
Box 51609  
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 from July 1, 2005 through July 31, 2005 in connection with the following:

Time incurred by E&Y professionals to prepare appropriate monthly statement and interim fee application documents for submission to the Bankruptcy Court as auditors for ATA bankruptcy case. \$752.00

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. 7,762.00

Time incurred by E&Y professionals to perform procedures related to our review of the Company's June 30, 2005 quarterly interim financial information before the Company filed its Form 10-Q. 38,229.00

**Total Due \$46,743.00**

PLEASE PAY BY INVOICE NUMBER AND ENCLOSE REMITTANCE COPY  
Due Upon Receipt

CLIENT COPY

EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 SUMMARY OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD JULY 1, 2005 THROUGH JULY 31, 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	1.6	\$470	\$752
		1.6		\$752
	Expenses			\$0
	<b>Total</b>	<b>1.6</b>		<b>\$752</b>

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	2.5	\$695	\$1,738
Todd Barrett	Senior Manager	6.7	\$470	\$3,149
Jennifer Taylor	Senior	3.5	\$310	\$1,085
Kyshia Gold	Senior	3.0	\$255	\$765
Adam Baumann	Staff	5.0	\$205	\$1,025
		20.7		\$7,762
	Expenses			\$0
	<b>Total</b>	<b>20.7</b>		<b>\$7,762</b>

Additional Audit Services - 2005 Quarterly Reviews

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Jim Pease	Partner	9.5	\$695	\$6,603
Stephen Stenbeck	Partner	2.0	\$695	\$1,390
Todd Barrett	Senior Manager	17.2	\$470	\$8,084
Jennifer Taylor	Senior	25.0	\$310	\$7,750
Kyshia Gold	Senior	11.0	\$255	\$2,805
Adam Baumann	Staff	33.2	\$205	\$6,806
Ashley Burris	Staff	25.9	\$185	\$4,791

EXHIBIT B - Additional Audit Services

	123.8	\$38,229
Expenses		\$0
<b>Total</b>	<u><u>123.8</u></u>	<u><u>\$38,229</u></u>
<b>GRAND TOTAL</b>	<u><u>146.1</u></u>	<u><u>\$46,743</u></u>

EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
SUMMARY OF TIME BY PROJECT CODE - ADDITIONAL AUDIT SERVICES  
FOR THE PERIOD JULY 1, 2005 THROUGH JULY 31, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
66a	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Bankruptcy Retention	1.6
66b	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Application of SOP 90-7	20.7
66e	Quarterly Reviews of the Consolidated Financial Statements of ATA Holdings Corp., included in its Quarterly Reports on Form 10-Q	123.8
	<b>Total Hours</b>	<b><u>146.1</u></b>



## EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES  
FOR THE PERIOD JULY 1, 2005 THROUGH JULY 31, 2005

Name	Date	Time	PCD	Description
<b>Additional Audit Services - Bankruptcy Retention</b>				
Barrett, Todd				
	7/12/2005	0.3	66a	Hrs Review June 2005 time detail for next fee and billing application
	7/18/2005	0.5	66a	Hrs Review draft documents for the Second Interim Fee Application
	7/25/2005	0.8	66a	Hrs Review updated second interim fee application
<b>Barrett, Todd Total</b>		<b>1.6</b>		
<b>Total Additional Audit Services - Bankruptcy Retention</b>		<b>1.6</b>		
<b>Additional Audit Services - Application of SOP 90-7</b>				
Pease, Jim				
	7/12/2005	0.5	66b	Hrs Research and review accounting for assets held for sale
	7/21/2005	1.0	66b	Hrs review accounting for claims on simulators
	7/27/2005	1.0	66b	Hrs review new claims accounting
<b>Pease, Jim Total</b>		<b>2.5</b>		
Barrett, Todd				
	7/7/2005	0.8	66b	Hrs. SOP 90-7 Review ATA prepared analysis of Ambassador disposal as a result of bankruptcy restructuring activity.
	7/12/2005	0.5	66b	Hrs. SOP 90-7. Meet with Chris Smith and Wisty Malone of ATA regarding damage claim estimate issues associated with the terminated flight simulator leases (correspond internally regarding fair value question).
	7/12/2005	0.8	66b	Hrs. Meet with Wisty Malone to review ATA's reconciliation summary of Liabilities Subject to Compromise to file claims as per the BMC claims database
	7/14/2005	0.3	66b	Hrs. SOP 90-7 Simulator lease termination
	7/25/2005	0.5	66b	Hrs. SOP 90-7 Review inventory physical and valuation summary results, correspond with ATA personnel regarding the same
	7/26/2005	1.3	66b	Hrs Obtain and review updated Southwest DIP loan amendments; update status of ATSB settlement
	7/27/2005	2.5	66b	Hrs. SOP 90-7 AMR claim, aircraft simulator claims (GECAS), ground facility claims
<b>Barrett, Todd Total</b>		<b>6.7</b>		
Taylor, Jennifer				
	7/26/2005	1.5	66b	Hrs review of bankruptcy related issues, including claims reconciliation, impairment, etc
	7/29/2005	2.0	66b	Hrs Review damage claims, LSC
<b>Taylor, Jennifer Total</b>		<b>3.5</b>		
Gold, Kyshia				
	7/28/2005	3.0	66b	Hrs Damage Accruals
<b>Gold, Kyshia Total</b>		<b>3.0</b>		
Baumann, Adam				
	7/25/2005	2.0	66b	Hrs Simulator Accrual
	7/26/2005	2.0	66b	Hrs MCPH Claim
	7/28/2005	1.0	66b	Hrs Boeing deferred delivery claim
<b>Baumann, Adam Total</b>		<b>5.0</b>		
<b>Total Additional Audit Services - Application of SOP 90-7</b>		<b>20.7</b>		
<b>Additional Audit Services - 2005 Quarterly Reviews</b>				
Pease, Jim				
	7/5/2005	1.0	66c	Hrs Discussions with Todd Barrett (EY) regarding 2nd quarter timeline review
	7/6/2005	2.0	66c	Hrs Preparation and attendance at 2nd quarter accounting issues meeting with ATA personnel and Todd Barrett (EY).
	7/11/2005	1.0	66c	Hrs Review "accounting issues list"
	7/25/2005	0.5	66c	Hrs Status meeting with Todd Barrett (EY) regarding quarterly accounting issues
	7/27/2005	3.5	66c	Hrs Review working papers at client offices
	7/28/2005	1.5	66c	Hrs Conference call with Wisty Malone (ATA) and review quarterly memos
<b>Pease, Jim Total</b>		<b>9.5</b>		

## EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES  
FOR THE PERIOD JULY 1, 2005 THROUGH JULY 31, 2005

Name	Date	Time	PCD	Description
Stenbeck, Stephen				
	7/28/2005	2.0	66e	Hrs. Correspondence with Todd Barrett regarding ATA 2nd quarter review. Review of quarter accounting issues
<b>Stenbeck, Stephen Total</b>		<b>2.0</b>		
Barrett, Todd				
	7/5/2005	0.8	66e	Hrs. Telephone call with Chris Smith (ATA) regarding revised timeline. meet with Jim Pease (EY) regarding same
	7/6/2005	1.5	66e	Hrs. 2nd quarter accounting issues meeting with client (Christine Lonck, Chris Smith, Stewart Bell and Wisty Malone (ATA)) and Jim Pease (EY)
	7/6/2005	0.5	66e	Hrs. Summarize items from issues meeting that require further analysis as part of the quarterly review - provide supplemental request list to client (Chris Smith)
	7/15/2005	0.3	66e	Hrs. Review client's summary of business class assets in WIP. correspond with client regarding same.
	7/19/2005	1.0	66e	Hrs. Meet with Jennifer Taylor and Adam Baumann to plan for upcoming on site review work
	7/25/2005	0.8	66e	Hrs. L1011-500 analysis review
	7/25/2005	0.5	66e	Hrs. Meet with Jim Pease to review status of various accounting issues identified by client at the "quarterly issues meeting"
	7/26/2005	3.0	66e	Hrs. SRM preparation
	7/26/2005	1.0	66e	Hrs. Meet with EY team (Baumann, Gold, Taylor and Burris) to review assignments for completing 2nd quarter review
	7/26/2005	1.0	66e	Hrs. Meet with Chris Smith, Stewart Bell (ATA) and Jen Taylor (EY) to review status of 2nd quarter accounting issues.
	7/26/2005	0.5	66e	Hrs. Review updated issues list for quarter and email correspondence regarding same in preparation for meeting with C Smith (ATA) and J Taylor (EY)
	7/27/2005	3.0	66e	Hrs. 2nd quarter workpaper review at client offices
	7/28/2005	1.0	66e	Hrs. Meet with Wisty Malone and Stewart Bell and Jen Taylor (EY) re quarterly review status and remaining action items
	7/28/2005	1.5	66e	Hrs. working paper review at client's offices. correspond with Steve Stenbeck (EY) regarding quarterly results.
	7/28/2005	0.8	66e	Hrs. Review workers' comp accrual adjustments and memo documenting EY's evaluation
<b>Barrett, Todd Total</b>		<b>17.2</b>		
Taylor, Jennifer				
	7/18/2005	2.0	66e	Hrs. review quarterly issues list and correspondence back & forth between EY and ATA
	7/19/2005	2.0	66e	Hrs. meet with Todd Barrett and Adam Baumann (EY) to discuss quarterly issues and our procedures around them
	7/21/2005	1.0	66e	Hrs. forward quarterly issues correspondence on to Adam Baumann (EY) for reference when performing review procedures
	7/25/2005	1.0	66e	Hrs. second quarter review procedures preparation
	7/26/2005	1.0	66e	Hrs. Meeting with EY audit team for 2nd quarter plan and responsibilities assignment
	7/26/2005	1.0	66e	Hrs. Review procedures performed, legal inquiries
	7/27/2005	7.0	66e	Hrs. workers' comp issue (3.5 hrs), discuss partner review comments/issues (3.5 hours), legal update (1.0 hours)
	7/28/2005	8.0	66e	Hrs. review quarter work papers for all areas (Cash, AR, etc.) (6 hours), quarter wrap-up meeting with client and EY personnel (1 hour), qtrly review checklist (1 hour)
	7/29/2005	2.0	66e	Hrs. review BOD minutes, DOC, operating statistics
<b>Taylor, Jennifer Total</b>		<b>25.0</b>		
Gold, Kyshia				
	7/26/2005	1.0	66e	Hrs. 1hr - update on issues and meeting for assignment of audit areas
	7/27/2005	2.0	66e	Hrs. 2hrs. - worked on Investment in BATA
	7/28/2005	5.0	66e	Hrs. 1 hour. - worked on Goodwill, 4hrs - worked on OAR
	7/29/2005	3.0	66e	Hrs. 1hr. - finished OAR, 30 mins. - worked on clearing review notes; 1 hr. and 30 mins. - worked on JE CAAT
<b>Gold, Kyshia Total</b>		<b>11.0</b>		
Baumann, Adam				
	7/19/2005	1.0	66e	Hrs. Meeting with Todd Barrett and Jen Taylor (EY) regarding 2nd quarter review procedures and related issues
	7/25/2005	2.1	66e	Hrs. deposits
	7/25/2005	1.0	66e	Hrs. prepaids
	7/25/2005	2.0	66e	Hrs. details of consolidation tie out
	7/25/2005	2.0	66e	Hrs. statement of cash flows tie out
	7/26/2005	1.0	66e	Hrs. meeting with audit team regarding responsibilities roll out for 2nd quarter
	7/26/2005	5.0	66e	Hrs. details of consolidation tie out
	7/29/2005	1.1	66e	Hrs. liabilities subject to compromise
	7/27/2005	1.0	66e	Hrs. File archiving, organization
	7/27/2005	1.0	66e	Hrs. reorganization expenses
	7/27/2005	8.0	66e	Hrs. workers compensation issues
	7/28/2005	4.5	66e	Hrs. L1011 Fair Value Impairment Test

EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD JULY 1, 2005 THROUGH JULY 31, 2005

Name	Date	Time	PCD	Description
	7/28/2005	3.5	66e	Hrs. Operating Statistics and competitor comparison
<b>Baumann, Adam Total</b>		<b>33.2</b>		
<b>Burris, Ashley</b>				
	7/26/2005	2.4	66e	Hrs. Inventory Procedures
	7/26/2005	2.2	66e	Hrs. Fixed Asset procedures
	7/26/2005	2.7	66e	Hrs. Accounts receivable procedures
	7/26/2005	1.0	66e	Hrs. Meeting with E&Y team regarding quarter review procedures
	7/26/2005	0.8	66e	Hrs. Cash Procedures
	7/27/2005	0.5	66e	Hrs. Accounts Receivable procedures
	7/27/2005	2.0	66e	Hrs. Debt Procedures
	7/27/2005	0.6	66e	Hrs. Update LOR
	7/27/2005	2.2	66e	Hrs. Equity procedures
	7/27/2005	0.3	66e	Hrs. Cash Procedures
	7/27/2005	2.8	66e	Hrs. Fixed Asset procedures
	7/28/2005	0.6	66e	Hrs. Cash Procedures
	7/28/2005	1.2	66e	Hrs. Clearing various review notes
	7/28/2005	0.5	66e	Hrs. RAS Procedures
	7/28/2005	3.6	66e	Hrs. Archiving workpapers
	7/28/2005	1.7	66e	Hrs. Paper Profile updating
	7/28/2005	0.8	66e	Hrs. Letter of Rep update
<b>Burris, Ashley Total</b>		<b>25.9</b>		
<b>Total Additional Audit Services - 2005 Quarterly Reviews</b>		<b>123.8</b>		
<b>GRAND TOTAL</b>		<b>146.1</b>		

EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 SUMMARY OF EXPENSES-ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD JULY 1, 2005 THROUGH JULY 31, 2005

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

# **EXHIBIT 2**



September 20, 2005

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

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 August 1, 2005 through August 31, 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. Detail of time and actual expenses incurred in connection with the rendering of audit services during the Compensation Period is attached hereto as Exhibit "A". E&Y LLP is not requesting payment of any fixed audit fees or reimbursement of actual expenses with this monthly statement. Time detail included as Exhibit "A" is for informational purposes only. 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 August 1, 2005 through August 31, 2005, the amount of these fees to E&Y LLP is \$15,154.00. 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 \$12,123.20, representing 80% of additional audit service fees of \$15,154.00. Unless any such party objects to the Monthly Fee Request, in whole or in part, on or before September 29, 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.

# **EXHIBIT A**

Exhibit A - 2004 Annual Audit

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
SUMMARY OF TIME BY PROFESSIONAL-2004 ANNUAL AUDIT  
FOR THE PERIOD AUGUST 1, 2005 THROUGH AUGUST 31, 2005

<u>Professional</u>	<u>Position</u>	<u>Hours</u>
Todd Barrett	Senior Manager	<u>0.5</u>
	<b>Total</b>	<b><u><u>0.5</u></u></b>



Exhibit A - 2004 Annual Audit

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
SUMMARY OF TIME FOR 2004 ANNUAL AUDIT  
FOR THE PERIOD AUGUST 1, 2005 THROUGH AUGUST 31, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
64	Audit of Financial Statement Accounts and Related Matters	0.5
	<b>Total Hours</b>	<b><u>0.5</u></b>

Exhibit A - 2004 Annual Audit

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
DETAIL OF TIME BY PROFESSIONAL--2004 Annual Audit  
FOR THE PERIOD AUGUST 1, 2005 THROUGH AUGUST 31, 2005

<u>Name</u>	<u>Date</u>	<u>Time</u>	<u>PCD</u>	<u>Description</u>
Barrett, Todd				
	8/8/2005	0.5	64	Hrs: 2004 Audit - review additional responses to management letter. clean up document and prepare drafts for printing to distribute to audit committee.
<b>Barrett, Todd Total</b>		<u>0.5</u>		
<b>Total Hours</b>		<u><u>0.5</u></u>		



# **EXHIBIT B**



INVOICE NUMBER: US0122961654

September 20, 2005

ATA Holdings Corporation  
Mr. Frank Conway  
7337 West Washington St  
Box 51609  
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

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For services rendered from August 1, 2005 through August 31, 2005 in connection with the following:

Time incurred by E&Y professionals to participate in the second interim fee application hearing held on August 22, 2005. \$564.00

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. 350.00

Time incurred by E&Y professionals to perform procedures related to our review of the Company's June 30, 2005 quarterly interim financial information before the Company filed its Form 10-Q. 14,240.00

**Total Due** **\$15,154.00**

PLEASE PAY BY INVOICE NUMBER AND ENCLOSE REMITTANCE COPY  
Due Upon Receipt

**CLIENT COPY**

EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 SUMMARY OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD AUGUST 1, 2005 THROUGH AUGUST 31, 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	1.2	\$470	\$564
		1.2		\$564
	Expenses			\$0
	<b>Total</b>	<b>1.2</b>		<b>\$564</b>

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	0.3	\$695	\$209
Todd Barrett	Senior Manager	0.3	\$470	\$141
		0.6		\$350
	Expenses			\$0
	<b>Total</b>	<b>0.6</b>		<b>\$350</b>

Additional Audit Services - 2005 Quarterly Reviews

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Jim Pease	Partner	10.7	\$695	\$7,436
Stephen Stenbeck	Partner	2.0	\$695	\$1,390
Todd Barrett	Senior Manager	7.7	\$470	\$3,619
Jennifer Taylor	Senior	1.0	\$310	\$310
Kyshia Gold	Senior	1.0	\$255	\$255
Adam Baumann	Staff	6.0	\$205	\$1,230
		28.4		\$14,240
	Expenses			\$0
	<b>Total</b>	<b>28.4</b>		<b>\$14,240</b>
	<b>GRAND TOTAL</b>	<b>30.2</b>		<b>\$15,154</b>

EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
SUMMARY OF TIME BY PROJECT CODE - ADDITIONAL AUDIT SERVICES  
FOR THE PERIOD AUGUST 1, 2005 THROUGH AUGUST 31, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
66a	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Bankruptcy Retention	1.2
66b	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Application of SOP 90-7	0.6
66e	Quarterly Reviews of the Consolidated Financial Statements of ATA Holdings Corp., included in its Quarterly Reports on Form 10-Q	28.4
	<b>Total Hours</b>	<b>30.2</b>

EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD AUGUST 1, 2005 THROUGH AUGUST 31, 2005

Name	Date	Time	PCD	Description
<b><u>Additional Audit Services - Bankruptcy Retention</u></b>				
Barrett, Todd				
	8/22/2005	1.2	66a	Hrs: Attend Aug 22 hearing for E&Y second interim fee application and E&Y application for employment for tax services
		<u>1.2</u>		
<b>Barrett, Todd Total</b>		<b>1.2</b>		
<b>Total Additional Audit Services - Bankruptcy Retention</b>		<b><u>1.2</u></b>		
<b><u>Additional Audit Services - Application of SOP 90-7</u></b>				
Pease, Jim				
	8/8/2005	0.3	66b	Hrs: MCPH disclosures and termination - meeting with Christ Smith (ATA) and Todd Barrett (EY)
		<u>0.3</u>		
<b>Pease, Jim Total</b>		<b>0.3</b>		
Barrett, Todd				
	8/8/2005	0.3	66b	Hrs: Meet with Chris Smith (ATA) and Jim Pease (EY) regarding disclosures of MCPH/maintenance accounting due to termination of contracts and upcoming employee terminations.
		<u>0.3</u>		
<b>Barrett, Todd Total</b>		<b>0.3</b>		
<b>Total Additional Audit Services - Application of SOP 90-7</b>		<b><u>0.6</u></b>		
<b><u>Additional Audit Services - 2005 Quarterly Reviews</u></b>				
Pease, Jim				
	8/3/2005	0.5	66e	Hrs
	8/4/2005	1.0	66e	Hrs: review draft of second quarter filing
	8/8/2005	1.5	66e	Hrs: attendance at ATA audit comm meeting
	8/8/2005	0.7	66e	Hrs: Preparation for Audit Committee meeting
	8/8/2005	4.5	66e	Hrs: review 10Q draft and review quarterly review procedures
	8/9/2005	1.0	66e	Hrs: review and discuss 10Q changes
	8/10/2005	0.5	66e	Hrs: conference call with Frank Conway (ATA) and Todd Barrett (EY) regarding inquiries for 2nd quarter review
	8/11/2005	1.0	66e	Hrs: Audit Committee call and review final 10Q changes
		<u>10.7</u>		
<b>Pease, Jim Total</b>		<b>10.7</b>		
Stenbeck, Stephen				
	8/8/2005	2.0	66e	Hrs: ATA second quarter review independent review procedures
		<u>2.0</u>		
<b>Stenbeck, Stephen Total</b>		<b>2.0</b>		
Barrett, Todd				
	8/8/2005	2.1	66e	Hrs: Review draft Form 10-Q
	8/8/2005	1.5	66e	Hrs: Audit committee meeting for 2nd quarter
	8/8/2005	0.5	66e	Hrs: Meet with Jim Pease to prepare for today's audit committee meeting (review EY's internal agenda points)
	8/8/2005	0.8	66e	Hrs: Review Form 10-Q disclosure checklist
	8/9/2005	0.5	66e	Hrs: Correspondence with Steve Stenbeck regarding comments from 10-Q draft review
	8/9/2005	0.5	66e	Hrs: Telephone call with Chris Smith (ATA) regarding comments on draft form 10-Q and review of outstanding matters for completion of review
	8/10/2005	0.8	66e	Hrs: Telephone call with Jim Pease (EY) and Frank Conway (ATA) SAS 100 inquiries required for timely interim reviews
	8/11/2005	1.0	66e	Hrs: Audit committee meeting (telephonic) to review form 10-Q before filing
		<u>7.7</u>		
<b>Barrett, Todd Total</b>		<b>7.7</b>		
Taylor, Jennifer				
	8/5/2005	1.0	66e	Hrs: review JE CAAT



EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD AUGUST 1, 2005 THROUGH AUGUST 31, 2005

<u>Name</u>	<u>Date</u>	<u>Time</u>	<u>PCD</u>	<u>Description</u>
Taylor, Jennifer Total		<u>1.0</u>		
Gold, Kyshia				
	8/1/2005	1.0	06e	Hrs: Finished review of Journal Entry CAAT
Gold, Kyshia Total		<u>1.0</u>		
Baumann, Adam				
	8/8/2005	4.0	06e	Hrs: 10Q tie out
	8/9/2005	2.0	06e	Hrs: Archiving of second quarterly review workpapers in compliance with firm record retention policy
Baumann, Adam Total		<u>6.0</u>		
Total Additional Audit Services - 2005 Quarterly Reviews		<u>28.4</u>		
GRAND TOTAL		<u>30.2</u>		

EXHIBIT B - Additional Audit Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 SUMMARY OF EXPENSES-ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD AUGUST 1, 2005 THROUGH AUGUST 31, 2005

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

# **EXHIBIT 3**



October 20, 2005

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

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 tax service providers to the Debtors for the period October 26, 2004 through September 30, 2005 (the "Compensation Period").

On September 19, 2005, the Court approved flat tax fees and reimbursement of actual expenses to E&Y LLP for the rendering of tax services to the Debtors for the review of the federal income tax return, the change in accounting methods and the preparation of the Puerto Rico tax returns by E&Y LLP's subcontractor Ernst & Young Puerto Rico LLP. The flat tax fee for the review of the federal income tax return is \$10,000.00. The flat tax fee for the change in accounting methods is \$9,500.00. The flat tax fee for the preparation of the Puerto Rico tax returns by Ernst & Young Puerto Rico is \$7,100.00. Detail of time and actual expenses incurred in connection with the rendering of flat fee tax services during the Compensation Period is attached hereto as Exhibit "A". In addition, on September 19, 2005, the Court approved fees to E&Y LLP for the rendering of additional tax services to the Debtors based upon E&Y LLP's hourly rates in accordance with the terms of the E&Y LLP's Supplemental Application. For the period October 26, 2004 through September 30, 2005, the amount of these fees to E&Y LLP is \$10,263.00. Detail of time incurred in connection with the rendering of additional tax services is attached hereto as Exhibit "B".

Pursuant to the Monthly Compensation Orders, this request is for a total of \$29,490.40, representing 80% of additional tax service fees of \$36,863.00. Unless any such party objects to the Monthly Fee Request, in whole or in part, on or before October 31, 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 Shari A. Richey at (317) 681-7678 or R. Todd Barrett at (317) 681-7052.



INVOICE NUMBER: US0122983278

October 20, 2005

ATA Holdings Corporation  
Mr. Frank Conway  
7337 West Washington St  
Box 51609  
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 September 30, 2005 in connection with the following:

Time incurred by E&Y professionals to prepare appropriate documents for E&Y retention and prepare appropriate monthly statement documents for submission to the Bankruptcy Court as tax service providers for ATA bankruptcy case.	\$10,263.00
Certain review procedures with respect to the U.S. federal income tax return of ATA Holdings Corp. for the taxable year ended December 31, 2004	10,000.00
Complete Form 3115 Change in Accounting Method	9,500.00
Preparation of certain Puerto Rico tax returns for ATA Airlines (a)	<u>7,100.00</u>

**Total Due** **\$36,863.00**

(a) Services performed by EY-Puerto Rico office personnel

PLEASE PAY BY INVOICE NUMBER AND ENCLOSE REMITTANCE COPY  
Due Upon Receipt

**REMITTANCE COPY**

# **EXHIBIT A**

EXHIBIT A - Tax Compliance Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 SUMMARY OF TIME BY PROFESSIONAL - TAX COMPLIANCE SERVICES  
 FOR THE PERIOD OCTOBER 26, 2004 THROUGH SEPTEMBER 30, 2005

<u>Tax Compliance Services - Review of Form 1120</u>		
<u>Professional</u>	<u>Position</u>	<u>Hours</u>
Shari Richey	Partner	6.0
Mike Williams	Principal	6.0
Jim Pezzanite	Senior Manager	0.5
Andrew Valdez	Senior Manager	20.1
	<b>Total</b>	<b>32.6</b>

<u>Tax Compliance Services - Change in Accounting Method</u>		
<u>Professional</u>	<u>Position</u>	<u>Hours</u>
Shari Richey	Partner	3.9
Susan Minasian	Principal	9.0
Mark Ross	Senior Manager	9.0
Isaac Sperka	National Tax Senior Manager	5.3
		27.2
	<b>Expenses</b>	
	<b>Total</b>	<b>27.2</b>

EXHIBIT A - Tax Compliance Services

<u>Tax Compliance Services - Preparation of Puerto Rico Tax Returns</u>		
<u>Professional</u>	<u>Position</u>	<u>Hours</u>
Jorge Canellas	Partner	2.0
Victor Alvear	Partner	1.0
Shari Richey	Partner	2.0
Todd Barrett	Senior Manager	1.3
Rosa Rodriguez	Senior Manager	3.0
Lidibeth Torres	Manager	4.0
Yolanda Vega	Senior	10.7
Carlos Roman	Staff	<u>4.8</u>
		28.8
	Expenses	
	<b>Total</b>	<u><b>28.8</b></u>
	<b>GRAND TOTAL</b>	<u><b>88.6</b></u>



EXHIBIT A - Tax Compliance Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
SUMMARY OF TIME BY PROJECT CODE - TAX COMPLIANCE SERVICES  
FOR THE PERIOD OCTOBER 26, 2004 THROUGH SEPTEMBER 30, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
68a	Review Procedures of the U.S. Federal Income Tax Return of ATA Holdings Corp.	32.6
68b	Completion of Certain Changes in the Accounting Methods of ATA Holdings Corp.	27.2
68c	Procedures Related to the Preparation of the Puerto Rico Income Tax Return of ATA Airlines, Inc.	28.8
	<b>Total Hours</b>	<b><u>88.6</u></b>

EXHIBIT A - Tax Compliance Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
DETAIL OF TIME BY PROFESSIONAL - TAX COMPLIANCE SERVICES  
FOR THE PERIOD OCTOBER 26, 2004 THROUGH SEPTEMBER 30, 2005

Name	Date	Time	PCD	Description
<b><u>Tax Compliance Services - Review of Form 1120</u></b>				
Richey, Shari				
	6/30/2005	0.5	66a	Hrs. Discussion with Lisa Bailey of ATA regarding 2004 review timing, responsibilities, etc
	6/30/2005	0.5	66a	Hrs. Follow-up discussion with Andrew Valdez (EY) regarding summary of issues discussed with Lisa Bailey and related action plan
	8/30/2005	2.0	66a	Hrs: Review 2004 return with Lisa Bailey (ATA Tax Director) and Andrew Valdez (EY)
	8/30/2005	3.0	66a	Hrs: Review 2004 tax return, including discussion and review of eleven items on M3 that were greater than \$10 million, walk through and follow-up on Form 8660 and exceptions with J Pezzanite (EY)
<b>Richey, Shari Total</b>		<b>6.0</b>		
Williams, Mike				
	8/29/2005	6.0	66a	Hrs Review of tax return with Lisa Bailey (ATA) and Andrew Valdez (EY) at ATA headquarters, address outstanding issues, comments cleared
<b>Williams, Mike Total</b>		<b>6.0</b>		
Pezzanite, Jim				
	8/31/2005	0.5	66a	Hrs. ATA issue regarding 6011 reportable transactions and procedures for the same.
<b>Pezzanite, Jim Total</b>		<b>0.5</b>		
Valdez, Andrew				
	6/30/2005	0.5	66a	Hrs. Call with Shari Richey (EY) regarding tax return review timing and planning documents
	7/25/2005	0.3	66a	Hrs. Complete Tx Practice Engagement Acceptance Form for 2004 ATA return review
	8/3/2005	0.4	66a	Hrs. Discussion with Lisa Bailey (ATA) regarding setting-up 2004 tax return review date, miscellaneous questions and answers
	8/23/2005	0.3	66a	Hrs: Phone call with Lisa Bailey and Jeff Teal (ATA) regarding 1120 review, email to Mike Williams (EY) regarding tax return reviewing timing for 8/29/05, etc.
	8/24/2005	0.3	66a	Hrs: Follow-up phone call with Mike Williams regarding 2004 tax return review
	8/26/2005	2.3	66a	Hrs: Preliminary tax return work - pull of S6011, Revenue Procs, etc
	8/29/2005	0.0	66a	Hrs Federal 1120 - 2004 Review
	8/30/2005	4.5	66a	Hrs: 2004 tax return review with Lisa Bailey and outstanding issues with Shari Richey (EY)
	8/31/2005	2.0	66a	Hrs: Finalize 2004 tax return, including questions and answers with Lisa Bailey, sign return
	9/8/2005	0.5	66a	Hrs: Tax returning signing issues, discussions with Lisa Bailey (ATA) and team
<b>Valdez, Andrew Total</b>		<b>20.1</b>		
<b>Tax Compliance - Review of Form 1120</b>		<b>32.6</b>		

**Tax Compliance Services - Change in Accounting Method**

Richey, Shari				
	10/28/2004	1.0	68b	Hrs. Discussion with Lisa Bailey (ATA) regarding 467 project and related matters/issues
	11/1/2004	1.0	68b	Hrs: Accounting method change issues and discussions with Lisa Bailey, documentation
	11/23/2004	1.0	68b	Hrs. Follow-up regarding questions related to method change provision treatment
	12/8/2004	0.9	68b	Hrs. 467 lease issue
<b>Richey, Shari Total</b>		<b>3.9</b>		

Minasian, Susan

EXHIBIT A - Tax Compliance Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP

DETAIL OF TIME BY PROFESSIONAL - TAX COMPLIANCE SERVICES  
FOR THE PERIOD OCTOBER 26, 2004 THROUGH SEPTEMBER 30, 2005

Name	Date	Time	PCD	Description
	11/9/2004	1.5	68b	Hrs. Filing of Form 3115 with IRS National Office, communications with Lisa Bailey (ATA) and Isaac Sperka (EY). Call to IRS National Office to check status of supplies Form 3115. Also, receipt and review of favorable ruling letter regarding supplies method change.
	12/9/2004	1.0	68b	Hrs. Calls with Lisa Bailey (ATA) regarding modification of consent agreement to be filed with IRS National Office. Call to IRS National Office contact and review of letter to the IRS.
	1/25/2005	2.0	68b	Hrs. Conference call with IRS National Office contact, call to Isaac Sperka (EY) regarding IRS information request. Draft of sample response letter to the IRS National Office.
	2/7/2005	1.0	68b	Hrs. Review of additional information letter to be sent to the IRS National Office. Call to contact at the IRS National Office.
	2/18/2005	1.0	68b	Hrs. Follow-up discussion with Isaac Sperka (EY); additional call to IRS National Office and fax of contract provisions to IRS.
	3/7/2005	1.0	68b	Hrs. Calls to IRS, including conference call with Dan McCubbin (IRS).
	3/17/2005	0.5	68b	Hrs. Call with Dan McCubbin, IRS National Office regarding method change approval; call to Lisa Bailey (ATA).
	3/21/2005	1.0	68b	Hrs. Review of favorable ruling letter terms and conditions; call to Lisa Bailey (ATA).
<b>Minasian, Susan Total</b>		<b>9.0</b>		
<b>Ross, Mark</b>				
	12/14/2004	5.9	68b	Hrs. Prepare rental income schedules and run tax test for uneven rent for aircraft N516, N517, N518, N519 and N522.
	1/11/2005	2.1	68b	Hrs. Revise ATA analysis per conversation with Lisa Bailey (ATA) so that advance rents are accrued forward.
	2/15/2005	1.0	68b	Hrs. Conference call and work related to ATA 467 loan balance as of 12/31/04 for purposes of financial reporting of damage calculations.
<b>Ross, Mark Total</b>		<b>9.0</b>		
<b>Sperka, Isaac</b>				
	11/18/2004	1.0	68b	Hrs. Lease agreement 467 review and organizing lease materials.
	12/16/2004	0.3	68b	Hrs. Review of 467 calculations. Email messages to Shari Richey (EY).
	1/6/2005	1.0	68b	Hrs. Telephone call with Lisa Bailey regarding rent calculations and the follow up documentation.
	1/7/2005	0.5	68b	Hrs. Review issue regarding ATA 467 issue.
	1/25/2005	0.8	68b	Hrs. Telephone call with Susan Minasian (EY) regarding 3115 text; Telephone call with Lisa Bailey regarding tail number 516.
	2/1/2005	0.2	68b	Hrs. Telephone call with Lisa Bailey regarding tail number 518 and uneven rent tax accrual under pre-1996 law.
	2/15/2005	0.5	68b	Hrs. Telephone call with Lisa Bailey regarding 467 loan balance impact on damage claim.
	2/16/2005	0.2	68b	Hrs. Telephone call with Lisa Bailey re submission to IRS and questions by IRS personnel.
	2/18/2005	0.6	68b	Hrs. Telephone call with Susan Minasian regarding ATA lease for supplemental information request from IRS on the accounting change. Telephone call with IRS regarding same.
	2/21/2005	0.2	68b	Hrs. Telephone call with Lisa Bailey regarding change of accounting method request for additional information from Internal Revenue Service.
<b>Sperka, Isaac Total</b>		<b>5.3</b>		
<b>Tax Compliance Services - Change in Accounting Method</b>		<b>27.2</b>		

Tax Compliance Services - Preparation of Puerto Rico Tax Returns

<b>Canelas, Jorge</b>				
	4/18/2005	2.0	68c	Hrs. Preparation for 2004 ATA Airlines tax returns Puerto Rico return, related bankruptcy issues.
<b>Canelas, Jorge Total</b>		<b>2.0</b>		
<b>Alvear, Victor</b>				
	7/15/2005	1.0	68c	Hrs. Puerto Rico tax return filing, issues regarding bankruptcy and preparation.
<b>Alvear, Victor Total</b>		<b>1.0</b>		
<b>Richey, Shari</b>				
	6/24/2005	1.0	68c	Hrs. Discussion with Lidibeth Torres regarding copies of extensions for Puerto Rico attorneys for Lisa Bailey (ATA); follow-up and documentation regarding same.
	7/13/2005	1.0	68c	Hrs. Assistance with management representation letter for Puerto Rico return requirements - version 1 and 2.
<b>Richey, Shari Total</b>		<b>2.0</b>		
<b>Barrett, Todd</b>				

EXHIBIT A - Tax Compliance Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP

DETAIL OF TIME BY PROFESSIONAL - TAX COMPLIANCE SERVICES  
FOR THE PERIOD OCTOBER 26, 2004 THROUGH SEPTEMBER 30, 2005

Name	Date	Time	PCD	Description
	7/11/2005	0.3	68c	Hrs: Puerto Rico tax compliance review and edit draft letter of representations for ATA's tax filing, correspond w/EY PR re same
	7/11/2005	0.5	68c	Hrs: Puerto Rico income tax filing: review correspondence from EY-Puerto Rico requesting certain documents from 2004 audit to comply with local tax filing rules, reply accordingly
	7/12/2005	0.5	68c	Hrs: Puerto Rico income tax filing, additional correspondence with EY-Puerto Rico requesting certain documents from 2004 audit to comply with local tax filing rules, reply accordingly
<b>Barrett Todd, Total</b>		<b>1.3</b>		
Rodriguez, Rosa				
	4/14/2005	1.0	68c	Hrs: Discussion and correspondence regarding Puerto Rico extension filings and specific issues regarding bankruptcy court
	4/15/2005	1.0	68c	Hrs: Filing extension matter, bankruptcy court guidance
	4/20/2005	1.0	68c	Hrs: Puerto Rico tax compliance filings, bankruptcy requirements, etc
<b>Rodriguez, Rosa Total</b>		<b>3.0</b>		
Torres, Lidbeth				
	4/15/2005	1.0	68c	Hrs: Extensions filed for Puerto Rico returns for ATA Airlines
	4/15/2005	1.0	68c	Hrs: Bankruptcy court guidance regarding PR returns
	6/24/2005	0.5	68c	Hrs: PR returns - discussions with Shari Richey regarding attorney requests
	7/13/2005	1.5	68c	Hrs: Tax Returns planning time
<b>Torres, Lidbeth Total</b>		<b>4.0</b>		
Vega, Yolanda				
	2/23/2005	0.3	68c	Hrs: PR Extension/Declaration
	2/24/2005	0.3	68c	Hrs: PR Extension/Declaration
	2/28/2005	0.3	68c	Hrs: PR Extension/Declaration
	3/30/2005	0.5	68c	Hrs: PR Extension/Declaration
	3/31/2005	0.5	68c	Hrs: PR Extension/Declaration
	4/11/2005	0.5	68c	Hrs: PR Extension/Declaration
	4/14/2005	0.3	68c	Hrs: PR Extension/Declaration
	4/15/2005	0.7	68c	Hrs: PR Extension/Declaration
	5/16/2005	0.5	68c	Hrs: Review info. to schedule preparation of returns
	6/1/2005	0.5	68c	Hrs: Clarify info needed for taxes
	6/21/2005	0.3	68c	Hrs: Follow-up info for returns
	7/7/2005	0.5	68c	Hrs: info for returns
	7/8/2005	2.0	68c	Hrs: review info for tax returns
	7/9/2005	1.7	68c	Hrs: C-Workbook, info for returns; assign to staff
	7/11/2005	1.3	68c	Hrs: Review Tax Returns
	7/12/2005	0.3	68c	Hrs: follow-up on open items for returns
	7/13/2005	0.2	68c	Hrs: client info complete
<b>Vega, Yolanda Total</b>		<b>10.7</b>		
Roman, Carlos				
	7/11/2005	0.7	68c	Hrs: Prepare Annual Report
	7/11/2005	0.6	68c	Hrs: Prepare Estimated Tax Declaration
	7/11/2005	0.2	68c	Hrs: Gain access to ECF Account after sent the e-mail request
	7/11/2005	0.5	68c	Hrs: Review of return requirement and information gathering
	7/11/2005	2.0	68c	Hrs: Prepare Income Tax Return
	7/11/2005	0.5	68c	Hrs: Review comments addressed and made changes to Income Tax Return and to the Annual Report.
	7/12/2005	0.3	68c	Hrs: Made changes to Income tax return per manager review comments
<b>Roman, Carlos Total</b>		<b>4.8</b>		
<b>Tax Compliance Services - Preparation of Puerto Rico Tax Returns</b>		<b>28.8</b>		
<b>GRAND TOTAL</b>		<b>88.6</b>		

EXHIBIT A - Tax Compliance Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 SUMMARY OF EXPENSES-ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD OCTOBER 26, 2004 THROUGH SEPTEMBER 30, 2005

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

# **EXHIBIT B**

EXHIBIT B - Additional Tax Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
SUMMARY OF TIME BY PROFESSIONAL - ADDITIONAL TAX SERVICES  
FOR THE PERIOD OCTOBER 26, 2004 THROUGH SEPTEMBER 30, 2005

Additional Tax Services - Bankruptcy Retention

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Shari Richey	Partner	13.0	\$634	\$8,242
Todd Barrett	Senior Manager	4.3	\$470	\$2,021
		17.3		\$10,263
	Expenses			\$0
	<b>Total</b>	<b>17.3</b>		<b>\$10,263</b>

EXHIBIT B - Additional Tax Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
SUMMARY OF TIME BY PROJECT CODE - ADDITIONAL TAX SERVICES  
FOR THE PERIOD OCTOBER 26, 2004 THROUGH SEPTEMBER 30, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
68d	Consultation Regarding Accounting Issues and Other Procedures Outside of Tax Services - Bankruptcy Retention	17.3
	<b>Total Hours</b>	<b>17.3</b>



EXHIBIT B - Additional Tax Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL TAX SERVICES  
 FOR THE PERIOD OCTOBER 26, 2004 THROUGH SEPTEMBER 30, 2005

<u>Name</u>	<u>Date</u>	<u>Time</u>	<u>PCD</u>	<u>Description</u>
<b>Additional Tax Services - Bankruptcy Retention</b>				
Richey Shari				
	4/12/2005	3.2	68d	Hrs Time spent preparing and revising the EY US eng letter for compliance services including drafting of letter, correspondence with internal legal, including revisions for Accounting Method Change
	4/13/2005	5.1	68d	Hrs Continued work on the EY US and EY PR engagement letter for compliance services Made calls to Lisa Bailey (ATA) and T Barrett (EY) regarding review services on 1120, including discussion regarding Reportable Transaction addendum
	4/15/2005	1.2	68d	Hrs correspondence with EY legal team regarding PR engagement letter, issues regarding being retained by bankruptcy court, EY PR being a separate entity
	4/20/2005	2.0	68d	Hrs Additional work on the ATA Puerto Rico letter, including revisions
	9/13/2005	1.0	68d	Hrs Review of monthly statement, exhibits and cover letter
	9/15/2005	0.5	68d	Hrs Review and discussions of monthly statement for ATA.
	<b>Richey, Shari Total</b>	<b>13.0</b>		
Barrett, Todd				
	4/13/2005	0.8	68d	Hrs Correspondence regarding retention to perform tax compliance services, review draft tax compliance engagement letter.
	4/14/2005	1.1	68d	Hrs Review revised tax compliance bankruptcy draft engagement letters, correspond with Shari Richey regarding same
	4/15/2005	1.0	68d	Hrs Tax compliance retention for US and Puerto Rico.
	4/15/2005	0.3	68d	Hrs Teleconference with Byron Johnson (ATA Audit Committee chair) regarding scope and fees for the tax compliance work - obtained his pre-approval for the engagements.
	9/19/2005	0.8	68d	Hrs Review monthly tax fee application documents
	9/20/2005	0.3	68d	Hrs Correspondence regarding first tax monthly statement and subcontractor costs
	<b>Barrett, Todd Total</b>	<b>4.3</b>		
<b>Total Additional Tax Services - Bankruptcy Retention</b>		<b>17.3</b>		

EXHIBIT B - Additional Tax Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 SUMMARY OF EXPENSES-ADDITIONAL TAX SERVICES  
 FOR THE PERIOD OCTOBER 26, 2004 THROUGH SEPTEMBER 30, 2005

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

# **EXHIBIT 4**



INVOICE NUMBER: US0123013015

November 30, 2005

ATA Holdings Corporation  
Mr. Frank Conway  
7337 West Washington St  
Box 51609  
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

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For services rendered from October 1, 2005 through October 31, 2005 in connection with the following:

Assistance to the Company in its application of AICPA Statement of Position 90-7 ("SOP 90-7"), <i>Financial Reporting by Entities in Reorganization Under the Bankruptcy Code</i> , 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.	\$9,935.00
Time incurred by E&Y professionals to perform procedures related to our review of the Company's September 30, 2005 quarterly interim financial information before the Company filed its Form 10-Q.	<u>34,588.00</u>
<b>Total Due</b>	<b>\$44,523.00</b>

PLEASE PAY BY INVOICE NUMBER AND ENCLOSE REMITTANCE COPY  
Due Upon Receipt

**REMITTANCE COPY**

EXHIBIT 4 - Additional Audit Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 SUMMARY OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD OCTOBER 1, 2005 THROUGH OCTOBER 31, 2005

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	4.5	\$695	\$3,128
Todd Barrett	Senior Manager	8.0	\$470	\$3,760
Adam Baumann	Senior	11.5	\$265	\$3,047
		24.0		\$9,935
	Expenses			\$0
	<b>Total</b>	<b>24.0</b>		<b>\$9,935</b>

Additional Audit Services - 2005 Quarterly Reviews

<u>Professional</u>	<u>Position</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Fees</u>
Jim Pease	Partner	10.5	\$695	\$7,298
Todd Barrett	Senior Manager	16.4	\$470	\$7,708
Jennifer Taylor	Manager	18.0	\$380	\$6,840
Bob Woodyard	Senior	3.0	\$265	\$795
Adam Baumann	Senior	18.0	\$265	\$4,770
Adrienne Boschert	Staff	33.5	\$185	\$6,197
Alicia Mackley	Staff	5.3	\$185	\$980
		104.7		\$34,588
	Expenses			\$0
	<b>Total</b>	<b>104.7</b>		<b>\$34,588</b>
	<b>GRAND TOTAL</b>	<b>128.7</b>		<b>\$44,523</b>

EXHIBIT 4 - Additional Audit Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
SUMMARY OF TIME BY PROJECT CODE - ADDITIONAL AUDIT SERVICES  
FOR THE PERIOD OCTOBER 1, 2005 THROUGH OCTOBER 31, 2005

<u>Project Code</u>	<u>Description</u>	<u>Hours</u>
66b	Consultation Regarding Accounting Issues and Other Procedures Outside of Audit - Application of SOP 90-7	24.0
66e	Quarterly Reviews of the Consolidated Financial Statements of ATA Holdings Corp., included in its Quarterly Reports on Form 10-Q	104.7
	<b>Total Hours</b>	<b>128.7</b>

EXHIBIT 4 - Additional Audit Services

ATA HOLDINGS CORP.  
ERNST & YOUNG LLP  
DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES  
FOR THE PERIOD OCTOBER 1, 2005 THROUGH OCTOBER 31, 2005

Name	Date	Time	PCD	Description
<b>Additional Audit Services - Application of SOP 90-7</b>				
Pease, Jim				
	10/7/2005	1.0	66b	Hrs: Prepare for and participate on conference call with with Jefferies, Todd Barrett and Wisty Malone
	10/26/2005	2.0	66b	Hrs: Discuss reorganization items with Todd Barrett and Wisty Malone including pilot settlements, review court documents, and Mickelsons agreement
	10/27/2005	0.5	66b	Hrs: review and discuss accounting treatment for revisions to pilot agreement and impact on reorganization cost
	10/31/2005	1.0	66b	Hrs: review and address alpa change to vacation accrual, including discussions with Todd Barrett
	<b>Pease, Jim Total</b>	<b>4.5</b>		
Barrett, Todd				
	10/7/2005	0.5	66b	Hrs: Due diligence call with Jefferies, also Wisty Malone and Jim Pease
	10/7/2005	1.0	66b	Hrs: SOP 90-7. Fresh-start accounting meeting with Wisty Malone and Chris Smith
	10/18/2005	0.3	66b	Hrs: SOP 90-7. with Chris Smith regarding accounting for Hanger and Building 4 settlement with Union Planters and new lease.
	10/24/2005	0.8	66b	Hrs: SOP 90-7. Pull docket containing ATA/ALPA revised labor agreement, review
	10/26/2005	2.8	66b	Hrs: Review ATA/ALPA agreement; review L1011 settlement accounting on two tails; review Building 4 and Hanger settlement accounting, discussions with Jim Pease regarding same
	10/27/2005	0.5	66b	Hrs: SOP 90-7. Correspond with client regarding agreement with ALPA labor union
	10/28/2005	0.8	66b	Hrs: SOP 90-7. Correspond further regarding ALPA agreement
	10/31/2005	0.5	66b	Hrs: SOP 90-7. look up treatment of prior quarter vacation adjustments related to employee changes (terms, wage rates, etc.)
	10/31/2005	0.5	66b	Hrs: SOP 90-7. Teleconference and correspondence with ATA regarding adjustment to ALPA benefits from amended contract
	10/31/2005	0.3	66b	Hrs: SOP 90-7. Meet with Jim Pease to review client's ALPA vacation expense/income classification memo
	<b>Barrett, Todd Total</b>	<b>8.0</b>		
Baumann, Adam				
	10/24/2005	1.0	66b	Hrs: Accrued vacation adjustment
	10/24/2005	1.0	66b	Hrs: Business class adjustment
	10/24/2005	0.5	66b	Hrs: JGM severance adjustment
	10/24/2005	0.5	66b	Hrs: Fleet bank adjustment
	10/24/2005	1.0	66b	Hrs: ATA Cargo adjustment
	10/25/2005	1.0	66b	Hrs: Hangar and building impairment test
	10/25/2005	2.0	66b	Hrs: Goodwill ATA cargo
	10/25/2005	1.5	66b	Hrs: Reorganization expenses
	10/25/2005	2.0	66b	Hrs: Business class write off
	10/26/2005	1.0	66b	Hrs: Building and hangar impairment test
	<b>Baumann, Adam Total</b>	<b>11.5</b>		
<b>Total Additional Audit Services - Application of SOP 90-7</b>		<b>24.0</b>		

**Additional Audit Services - 2005 Quarterly Reviews**

Pease, Jim				
	10/4/2005	0.5	66e	Hrs: Third quarter review procedures
	10/5/2005	3.0	66e	Hrs: Prepare for and attend third quarter issues meeting.
	10/10/2005	0.5	66e	Hrs: Quarter open item follow-up
	10/26/2005	4.0	66e	Hrs: Review and discuss third quarter review procedures
	10/27/2005	2.0	66e	Hrs: Third quarter review procedures
	10/31/2005	0.5	66e	Hrs: Third quarter review procedures
	<b>Pease, Jim Total</b>	<b>10.5</b>		
Barrett, Todd				
	10/5/2005	2.0	66e	Hrs: Third quarter accounting issues meetings at ATA, with Wisty Malone, Chris Smith, Christine Louck, Susan White, Jim Pease, Jen Taylor and Adam Baumann. Additional Audit Services - Page 1

## EXHIBIT 4 - Additional Audit Services

## ATA HOLDINGS CORP.

## ERNST &amp; YOUNG LLP

## DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES

## FOR THE PERIOD OCTOBER 1, 2005 THROUGH OCTOBER 31, 2005

Name	Date	Time	PCD	Description
	10/18/2005	0.5	66e	Hrs: Review Sage summary report and analysis
	10/19/2005	0.5	66e	Hrs: Quarterly review procedures
	10/24/2005	1.0	66e	Hrs: 3rd quarter review at client's offices
	10/24/2005	0.3	66e	Hrs: Review inventory status with Adam Baumann
	10/25/2005	1.0	66e	Hrs: SAS 100 review procedures at client offices
	10/25/2005	0.5	66e	Hrs: Review DIP loan covenant compliance (client's calculations)
	10/25/2005	1.0	66e	Hrs: Update required letter of representations; send to client
	10/25/2005	0.5	66e	Hrs: Review updated 3q issues list
	10/25/2005	0.8	66e	Hrs: Review latest board meeting minutes
	10/25/2005	1.0	66e	Hrs: Reviewed client's analysis of WIP assets and business class related assets
	10/26/2005	0.8	66e	Hrs: Meet with Wisty Malone, Chris Smith, and Adam Baumann regarding inventory
	10/26/2005	3.1	66e	Hrs: Quarterly review procedures at client offices
	10/26/2005	0.8	66e	Hrs: Review revised 3rd quarter summary review memo; update srm for bankruptcy related issues.
	10/27/2005	0.5	66e	Hrs: updates to SRM; send to Jim Pease
	10/27/2005	0.8	66e	Hrs: Discuss q3 matters with Jim Pease; update SRM; send to Steve Stenbeck for ind partner review
	10/28/2005	1.3	66e	Hrs: Review summary results and issues
<b>Barrett, Todd Total</b>		<b>16.4</b>		
Taylor, Jennifer				
	10/5/2005	2.5	66e	Hrs: Issues list meeting
	10/25/2005	8.0	66e	Hrs: Quarterly review work - preparation of SRM (4.0 hrs), review of DIP loan financing covenants (2.0 hrs), review of L1011-500 impairment analysis (2.0 hrs)
	10/26/2005	7.5	66e	Hrs: Quarter review work: prepare SRM (2.0 hrs), review detail workpapers for all areas such as Cash, Prepaids, Debt, Accruals, etc. (4.0 hrs), prepare Checklist for Review of Qtrly Financial Info, RAS, etc (1.5 hrs)
<b>Taylor, Jennifer Total</b>		<b>18.0</b>		
Woodyard, Bob				
	10/17/2005	1.0	66e	Hrs: Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
	10/18/2005	1.5	66e	Hrs: Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
	10/21/2005	0.5	66e	Hrs: Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
<b>Woodyard, Bob Total</b>		<b>3.0</b>		
Baumann, Adam				
	10/24/2005	2.8	66e	Hrs: accrued expenses and deferred gains
	10/24/2005	0.5	66e	Hrs: frequent flyer adjustment
	10/25/2005	1.0	66e	Hrs: debt covenant test
	10/25/2005	0.5	66e	Hrs: debt
	10/25/2005	0.5	66e	Hrs: equity
	10/25/2005	1.0	66e	Hrs: equity
	10/25/2005	1.0	66e	Hrs: air traffic liability
	10/25/2005	1.0	66e	Hrs: overall analytical review
	10/25/2005	0.5	66e	Hrs: stats package
	10/26/2005	1.0	66e	Hrs: debt issuance costs
	10/26/2005	1.5	66e	Hrs: meeting with Todd, Wisty, Chris, primarily discussing inventory
	10/26/2005	0.7	66e	Hrs: debt
	10/26/2005	2.0	66e	Hrs: journal entries
	10/26/2005	2.0	66e	Hrs: accrued expenses
	10/26/2005	1.0	66e	Hrs: cash flow statement
	10/26/2005	0.5	66e	Hrs: PPE
	10/26/2005	0.5	66e	Hrs: inventory
<b>Baumann, Adam Total</b>		<b>18.0</b>		
Boschert, Adrienne				
	10/24/2005	4.0	66e	Hrs: Creating lead schedule for third QTR review for ATA. Agreeing the DOC.
	10/24/2005	2.0	66e	Hrs: Creating and agreeing lead schedule for the Debt Rollforward.
	10/24/2005	2.0	66e	Hrs: Creating and agreeing lead schedule for the fixed assets.



EXHIBIT 4 - Additional Audit Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 DETAIL OF TIME BY PROFESSIONAL - ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD OCTOBER 1, 2005 THROUGH OCTOBER 31, 2005

Name	Date	Time	PCD	Description
	10/24/2005	2.0	66e	Hrs: Agreeing amounts to the inventory lead schedule.
	10/24/2005	0.5	66e	Hrs: Creating lead schedule for Assets held for sale.
	10/25/2005	3.4	66e	Hrs: Agreeing the A/R lead schedule.
	10/25/2005	2.6	66e	Hrs: Agreeing the prepaid liability lead schedules.
	10/25/2005	3.9	66e	Hrs: Agreeing the fixed asset lead schedules.
	10/25/2005	3.1	66e	Hrs: Agreeing the equity lead schedules.
	10/26/2005	3.8	66e	Hrs: Agreeing the cash flow lead sheet.
	10/26/2005	3.2	66e	Hrs: Agreeing the fixed asset lead schedule.
	10/26/2005	3.0	66e	Hrs: Agreeing the prepaid expenses lead schedule.
<b>Boschert, Adrienne Total</b>		<b><u>33.5</u></b>		
Mackley, Alicia				
	10/7/2005	0.3	66e	Hrs: Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
	10/20/2005	2.0	66e	Hrs: Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
	10/24/2005	2.0	66e	Hrs: Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
	10/25/2005	1.0	66e	Hrs: Prepare data analysis using Computer Assisted Audit Techniques ("CAATS")
<b>Mackley, Alicia Total</b>		<b><u>5.3</u></b>		
<b>Total Additional Audit Services - 2005 Quarterly Reviews</b>		<b><u>104.7</u></b>		
<b>GRAND TOTAL</b>		<b><u>128.7</u></b>		

EXHIBIT 4 - Additional Audit Services

ATA HOLDINGS CORP.  
 ERNST & YOUNG LLP  
 SUMMARY OF EXPENSES-ADDITIONAL AUDIT SERVICES  
 FOR THE PERIOD OCTOBER 1, 2005 THROUGH OCTOBER 31, 2005

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