SO ORDERED: December 14, 2005.

Basil H. Lorch III
United States Bankruptcy Judge

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

In re:	)	
	)	Chapter 11
	)	
ATA Holdings Corp., *et al.,*[1]	)	Case No. 04-19866
	)	
Debtors.	)	Jointly Administered

FINAL ORDER AUTHORIZING POST-PETITION SECURED SUPERPRIORITY FINANCING BY MATLINPATTERSON GLOBAL OPPORTUNITIES PARTNERSHIP II L.P.

This matter having come before this Court upon the Emergency Motion For Orders (I) Authorizing Reorganizing Debtors To Obtain Postpetition Financing Pursuant To 11 U.S.C. §§ 105, 362 364(c)(1), 364(c)(3) And 507, (II) Authorizing Reorganizing Debtors To Execute A Commitment Letter With The Lead Bidder For The Capital Raise, And (III)

[1]The Debtors are the following entities: ATA Holdings Corp. (04-19866), ATA Airlines, Inc. (04-19868), Ambassadair Travel Club, Inc. (04-19869), ATA Leisure Corp. (04-19870), Amber Travel, Inc. (05-19871), American Trans Air Execujet, Inc. (04-19872), ATA Cargo, Inc. (04-19873), and Chicago Express Airlines, Inc. (04-19874).

Establishing And Approving (A) A Break-Up Fee And Expense Reimbursement, (B) A Funding Fee, (C) Certain No-Shop Restrictions, And (D) Overbid/Participation Procedures filed on November 10, 2005 (Docket No. 3216) (the "Dip Finance/Capital Raise Procedures Motion"), by the Reorganizing Debtors[2] seeking, *inter alia*, a Final Order pursuant to sections 105(a), 362, 364(c)(1), 364(c)(3) and 507 of the Bankruptcy Code, and Rules 2002, 4001 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"):

(a) authorizing ATA Airlines, Inc. (the "Borrower") to obtain and each of ATA Holdings Corp., ATA Leisure Corp., American Trans Air ExecuJet, Inc., and ATA Cargo, Inc., (collectively, the "Guarantors" and, together with the Borrower, the "Obligated Parties" or "Reorganizing Debtors") to guaranty up to $30,000,000 in principal amount of post-petition senior secured term loan financing (the "DIP Facility") in accordance with the terms and conditions set forth in that certain Debtor-In-Possession Credit and Security Agreement dated as of December __, 2005 (the "DIP Loan Agreement")[3] among the Borrower, the Guarantors and MatlinPatterson Global Opportunities Partners II, L.P. ("Lender") and to incur obligations with respect to the loans, advances, interest obligations, fees, expenses and other obligations, liabilities and indebtedness described and set forth in the DIP Loan Documents (defined below) (collectively, the "Obligations");

(b) authorizing pursuant to section 364(c)(3) of the Bankruptcy Code, for the Reorganizing Debtors to provide to Lender security interests upon certain property of the

[2] The Reorganizing Debtors are ATA Holdings Corp. (04-19866), ATA Airlines, Inc. (04-19868); ATA Leisure Corp. (04-19870), ATA Cargo, Inc. (04-19873), and American Trans Air Execujet, Inc. (04-19872)

[3] Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the DIP Loan Agreement, a copy of which is attached as Exhibit A hereto.

Reorganizing Debtors' estates (the "Collateral") to secure repayment of the Obligations as set forth in, and as contemplated by, the DIP Loan Agreement (the DIP Loan Agreement, and all such instruments and documents as may be executed and delivered in connection therewith or which relate thereto are referred to herein collectively as the "DIP Loan Documents"), as supplemented by this Final Order, and as provided in the DIP Loan Documents and this Final Order subject to the (i) Carve-Out (as defined below), (ii) valid and perfected Liens (as defined below) in existence on the Petition Date and junior to such valid and perfected Liens, (iii) valid, enforceable and nonavoidable Liens existing as of the Petition Date, but perfected after the Petition Date pursuant to section 546(b) of the Bankruptcy Code, only to the extent such Post-Petition perfection is expressly permitted under the Bankruptcy Code, (iv) Permitted Senior Liens (including pre-petition liens granted to the ATSB Lenders and liens granted or confirmed pursuant to the ATSB Cash Use Order (all as defined herein) and liens granted or confirmed pursuant to the Southwest DIP Facility Order (as defined herein)), and (v) excluding the Section 1110 Assets and Excluded Assets (as defined below), as the case may be; and

(c) authorizing, pursuant to section 364(c)(1) of the Bankruptcy Code, for the Reorganizing Debtors to grant to Lender a Superpriority Claim (as defined below) in respect of the Obligations with priority over any and all administrative expenses, subject only to the Carve-Out and any superpriority administrative expense claims by holders of Permitted Senior Liens (including superpriority administrative expense claims granted or confirmed pursuant to the ATSB Cash Use Order, as defined herein, and the Southwest DIP Facility Order, as defined herein) granted by this Court prior to the date of this Final Order;

and the Court having considered the DIP Finance/Capital Raise Procedures Motion, the DIP Notice (as defined below), and the evidence submitted at the hearing on this Final Order (the "Final Hearing"); in accordance with Bankruptcy Rule 4001(c) and (d), due and proper notice of the DIP Notice and the Final Hearing having been given; a Final Hearing having been held and concluded on December 12, 2005; and it appearing that final approval of the request in the DIP Finance/Capital Raise Procedures Motion for the approval of the DIP Facility on a final basis, is in the best interests of the Reorganizing Debtors, their estates, creditors and interest holders, and is necessary to provide the Reorganizing Debtors with sufficient capital to continue operations and to preserve the going concern value of their businesses; and all objections to the entry of this Final Order having been resolved or overruled; and upon the pleadings filed with the Court, all proceedings held before the Court, and the evidence adduced in connection therewith; and after due deliberation and consideration, and for good and sufficient cause appearing therefor,

THE COURT HEREBY FINDS THAT:

A. On October 26, 2004 (the "Petition Date"), the Debtors, including the Reorganizing Debtors, commenced these chapter 11 cases (the "Cases") by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Indiana, Indianapolis Division (the "Court"). The Reorganizing Debtors have continued in the management and operation of their businesses as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

B. No trustee or examiner has been appointed in the Reorganizing Debtors' Cases. On or about November 1, 2004, the United States Trustee ("U.S. Trustee") appointed the official committee of unsecured creditors (the "Creditors' Committee") pursuant to section 1102(a)(1) of the Bankruptcy Code.

C. This Court has jurisdiction, pursuant to 28 U.S.C. §§ 157(b) and 1334, over these Cases, the DIP Finance/Capital Raise Procedures Motion, and over the persons and property affected hereby. Consideration of the DIP Finance/Capital Raise Procedures Motion constitutes a core proceeding as defined in 28 U.S.C. § 157(b)(2). The statutory predicates for the relief sought herein are sections 105, 362, 364 and 507 of the Bankruptcy Code and Rule 4001 (c) and (d) of the Federal Rules of Bankruptcy Procedure. Venue of the Cases in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

D. ATA obtained a $168,000,000 term loan (the "ATSB Loan") under that certain Loan Agreement, dated as of November 20, 2002 (the "ATSB Loan Agreement"). The ATSB Loan consists of a $148,500,000 Tranche A Loan (the "Tranche A Loan") and a $19,500,000 Tranche B Loan (the "Tranche B Loan"). The repayment of the Tranche A Loan was guaranteed by the ATSB, which paid upon such guarantee and now holds the Tranche A Loan. Citibank, N.A, is the Agent and the Collateral Agent under the ATSB Loan. The ATSB Cash Collateral Order (as defined in paragraph G below) more fully describes the collateral for the ATSB Loan.

E. The ATSB Loan is secured by first-priority liens (the "ATSB Pre-Petition Liens") in favor of the Collateral Agent in certain pre-petition collateral of ATA (together with the proceeds of such collateral, the "Pre-Petition ATSB Collateral"), granted pursuant to that certain Mortgage and Security Agreement dated as of November 20, 2002. The Pre-Petition Collateral is more fully described in the Loan Documents (as defined in the ATSB Loan Agreement).

F. On the Petition Date, the outstanding balance on the ATSB Loan was $140,564,059.75 including accrued but unpaid interest (together with all fees, charges, expenses

accrued or to accrue, and which are payable to the "ATSB Lender Parties" (as defined in the Cash Collateral Order) in accordance with the ATSB Loan Agreement, the "ATSB Loan Obligations").

G. The ATSB Lenders and the Debtors negotiated the *Interim Order Authorizing Debtors' Use of Cash Collateral and Use, Sale and Lease of Other Pre-Petition Collateral*, So Ordered by the Court on October 29, 2004 [Dkt. No. 163], and the ATSB Lenders, the Debtors and the Official Committee of Unsecured Creditors of ATA Holdings Corp., *et al*. (the "Committee") negotiated the *Second Interim and Final Order Authorizing Debtors' Use of Cash Collateral and Use, Sale and Lease of Other Pre-Collateral*, So Ordered by the Court on December 10, 2004, as amended, supplemented, modified and extended (the "ATSB Cash Collateral Order"), which provides for the Debtors' continued use of the ATSB Lender Parties' cash collateral ("ATSB Cash Collateral") and use, sale and lease of the other Pre-Petition ATSB Collateral on an interim basis in the Cases, adequate protection of the ATSB Lender Parties including the granting of replacement liens to the extent of the aggregate diminution in value of the ATSB's interests in the ATSB Cash Collateral and Pre-Petition ATSB Collateral from the Petition Date (which value has been determined to be $110,000,000 pursuant to the ATSB Lenders Settlement Agreement, as defined below) as a result of the Debtors' use, sale or lease of such collateral and the automatic stay of Bankruptcy Code section 362 on all property owned or leased by any of the Debtors, subject to certain exceptions, as of the Petition Date in which the Collateral Agent did not already hold a valid, enforceable and perfected Pre-Petition Lien and the proceeds therefrom or which becomes part of the Debtors' estates from and after the Petition Date (the "Replacement Collateral," and together with the Pre-Petition Collateral, the "ATSB Collateral").

H. On December 22, 2004, Southwest Airlines Co. ("Southwest") and the Debtors executed that certain Secured Debtor-in-Possession Credit and Security Agreement dated as of December 22, 2004 among Borrower, ATA Holdings Corp. and certain subsidiaries of ATA Holdings Corp and Southwest Airlines Co., (as the same has been and may be amended, supplemented or otherwise modified from time to time, the "Southwest DIP Agreement").

I. On January 10, 2005, this Court entered the Final Order Authorizing Post-Petition Secured Super-Priority Financing Pursuant to Sections 105(a), 326, 364(c)(2), 364(c)(3) and 507 of the Bankruptcy Code (Docket No. 1168) ("Southwest DIP Facility Order") authorizing the Debtors to obtain a secured debtor-in-possession credit facility in an amount up to $47 million from Southwest Airlines Co. ("Southwest").

J. Pursuant to the Southwest DIP Facility Order, and as more specifically set forth in the Southwest DIP Agreement, the Debtors obtained from Southwest (i) a term credit facility in the amount of $40,000,000 and (ii) a guaranty of up to $7,088,210 of the Debtors' obligations under the Chicago Construction Loan. The Southwest DIP Facility is secured by liens in favor of Southwest, granted pursuant to, and as more specifically set forth in, the Southwest DIP Agreement and the Southwest DIP Facility Order.

K. On November 10, 2005, the Reorganizing Debtors filed the DIP Finance/Capital Raise Procedures Motion seeking, *inter alia*, approval of a $30 million secured superpriority debtor-in-possession financing to be provided by MatlinPatterson. Notice of the DIP Finance/Capital Raise Procedures Motion was provided on November 10, 2006 (Docket No. 3233) (the "DIP Notice"), scheduling an initial hearing on November 17, 2005 with respect to certain relief requested by the DIP Finance/Capital Raise Procedures Motion, and a final hearing with respect to the debtor-in-possession financing request scheduled to commence on

December 6, 2005 (the "Final Hearing"). After continuances granted by the Court, the Final Hearing was held on December 12, 2005.

L. An immediate need exists for the Reorganizing Debtors to obtain funds and financial accommodations with which to continue their operations, meet their payroll and other necessary, ordinary course business expenditures, acquire goods and services, and administer and preserve the value of their estates, and maintain adequate cash balances customary and necessary for companies of their size in this industry to maintain customer confidence and to ensure adequate funding through the expected emergence from Chapter 11 in the near future. The ability of the Reorganizing Debtors to finance their operations requires the availability of additional working capital, the absence of which would immediately and irreparably harm the Reorganizing Debtors, their estates, and their creditors. The Reorganizing Debtors need the working capital to preserve the confidences of vendors, suppliers and customers, to meet obligations under section 1110 of the Bankruptcy Code, and to preserve the going concern value of their business and to help ensure adequate liquidity through the date of emergence from Chapter 11.

M. The Reorganizing Debtors have attempted, in good faith, to obtain financing from sources other than Lender. The Reorganizing Debtors are unable to obtain unsecured credit allowable only as an administrative expense under section 503(b)(1) of the Bankruptcy Code pursuant to section 364(b) of the Bankruptcy Code.

N. The Reorganizing Debtors are able to obtain sufficient credit only pursuant to a combination of sections 364(c)(1) and 364(c)(3) of the Bankruptcy Code except under the terms and conditions provided in the DIP Loan Documents and this Final Order. Specifically, the Reorganizing Debtors are unable to further borrow money and obtain other

needed financial accommodations without the Reorganizing Debtors' granting to Lender (i) security interests in various of the assets of the Reorganizing Debtors pursuant to sections 364(c)(2) and 364(c)(3) of the Bankruptcy Code and (ii) superpriority administrative expense claims status with priority over all other administrative expense claims (other than obligations under the Southwest DIP Facility Order, the ATSB Cash Collateral Order and subject to the "Carve Out" as defined and described below) pursuant to section 364(c)(1) of the Bankruptcy Code, in each case as provided by this Final Order.

O. The ability of the Reorganizing Debtors to finance their operations and the availability of sufficient working capital through the incurrence of indebtedness from borrowed money and other financial accommodations is vital to the Reorganizing Debtors' ability to preserve and maintain their businesses and emerge from Chapter 11.

P. The relief requested in the DIP Finance/Capital Raise Procedures Motion and provided in this Final Order is necessary, essential, and appropriate for the continued operation of the Reorganizing Debtors' businesses and the preservation of their estates.

Q. It is in the best interest of Reorganizing Debtors' estates to establish the DIP Facility contemplated by the DIP Loan Documents, and as provided in this Final Order.

R. The terms and conditions of the DIP Facility, as described in the DIP Loan Documents, and as described to the Court at the Final Hearing, including those that provide for the payment of interest to, and fees of, the Lender at the times and in the manner provided under the DIP Loan Documents, are fair, reasonable and the best available under the circumstances, reflect the Reorganizing Debtors' exercise of prudent business judgment and are supported by reasonably equivalent and fair value.

S. The DIP Facility and the DIP Loan Documents have been negotiated in good faith and at arms'-length among the Reorganizing Debtors and the Lender, and any credit extended and loans made to the Reorganizing Debtors pursuant to the DIP Loan Documents, the Interim Order or this Final Order, shall be deemed to have been extended by the Lender in good faith pursuant to section 364(e) of the Bankruptcy Code.

T. Good and sufficient cause has been shown for the entry of this Final Order. Among other things, the entry of this Final Order is in the best interests of the Reorganizing Debtors, their creditors and their estates because it will enable the Reorganizing Debtors to (i) continue the operation of their businesses; (ii) meet their obligations for payroll, necessary ordinary course expenditures, and other operating expenses; (iii) obtain needed goods and services; (iv) retain customer, supplier and employer confidence by demonstrating that they have the financial ability to maintain normal operations; (v) satisfy obligations under section 1110 of the Bankruptcy Code and (vi) acquire and maintain adequate cash balances customary and necessary for companies of their size and in the industries in which they operate to maintain customer confidence; and (vii) provide adequate liquidity for the Reorganizing Debtors to prepare to emerge from Chapter 11.

NOW, based upon the DIP Finance/Capital Raise Procedures Motion and the record before this Court with respect to the DIP Finance/Capital Raise Procedures Motion made by the Reorganizing Debtors at the Final Hearing, and good cause appearing therefor,

IT IS ORDERED that:

1. The DIP Finance/Capital Raise Procedures Motion, as it seeks approval of the DIP Facility on a final basis, is hereby granted.

2. The DIP Loan Documents and the DIP Facility are ratified by, modified by (to the extent applicable) and are hereby deemed finally approved by this Final Order.

APPROVAL OF AND AUTHORIZATION AS TO BORROWING AND SECURITY

3. This Final Order authorizes and directs each of the Reorganizing Debtors to:

(a) establish the DIP Facility on terms and conditions that are consistent with the DIP Loan Documents (substantially in the form presented to the Court at the Final Hearing with any material changes approved by the Lender, the Reorganizing Debtors, the Creditors' Committee, the ATSB Lender Parties and Southwest);

(b) execute and deliver to Lender and any other party thereto each of the DIP Loan Documents to which such Reorganizing Debtor is a party;

(c) with respect to the Borrower, borrow up to $30,000,000 (the "DIP Amount") and, with respect to each Guarantor, to guaranty the DIP Amount, in each case on terms and conditions that are consistent with the DIP Loan Documents and this Final Order; and

(d) pay all fees and expenses payable to or on behalf of the Lender, as described in the DIP Loan Documents.

4. The obligations of the Reorganizing Debtors hereunder and under the DIP Loan Documents shall be joint and several.

5. For the purposes hereof, the term "Liens" shall mean any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority, privilege or other security interest or preferential arrangement of any kind or nature whatsoever intended for security (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

6. For the purposes hereof, the term "Excluded Assets" shall mean (i) any retainers paid or deposited before the Petition Date by the Debtors to or with their professionals for professional services and expense reimbursement in connection with the Cases; provided, however, that the security interests attach automatically to any reversionary or residual interest any Debtor may have in such retainer; (ii) any Trust Funds (as such term is defined the "ATSB Cash Collateral Orders"); (iii) Reorganizing Debtors' avoidance actions and proceeds thereof under Sections 544-550 of the Bankruptcy Court or similar applicable state law; and (iv) Card Receivables (but only to the extent the ATSB Lender Parties and Southwest do not hold a security interest therein). For the purposes hereof, the term "Card Receivables" shall include any Liens in favor of collecting or payor banks and credit card processors having a right of setoff, revocation, refund or chargeback with respect to money or instruments of any Reorganizing Debtor on deposit with or in possession of such bank.

7. For the purposes hereof, the term "Section 1110 Assets" shall mean, (i) any "aircraft", "aircraft engine", "propeller", "appliance" or "spare part" of any Debtor (as defined in Section 40102 of Title 49) as those terms are used in Section 1110(a)(3)(A)(i) of the Bankruptcy Code, (ii) all parts substitutions, renewals and replacements of, improvements, accessions and accumulations incident to each such aircraft, aircraft engine, appliance or spare part and all documents related to any of the foregoing to the extent any such asset constitutes equipment within the scope of section 1110(a) of the Bankruptcy Code; (iii) any other assets with respect to which the granting of any such security interests would cause a default, directly or indirectly, of any Section 1110 Agreement, other than a default arising from a negative pledge or similar provision in any such Section 1110 Agreement with respect to otherwise unencumbered property, and (iv) any deposit or reserve delivered by a Reorganizing Debtor to a Section 1110

Beneficiary (as defined below) in connection with the purchase, financing or lease of a Section 1110 Asset; or reserve upon the satisfaction of the obligations secured thereby.

8. For the purposes hereof, the term "Section 1110 Agreement" shall mean any agreement of any Reorganizing Debtor related to Section 1110 Assets, including, without limitation, security agreements, mortgages, trusts, leases, conditional sale agreements or other instruments applicable to such Section 1110 Assets.

9. For the purposes hereof, the term "Section 1110 Beneficiary" shall mean all counterparties with any of the Reorganizing Debtors to any such Section 1110 Agreements.

10. This Final Order authorizes and empowers the Reorganizing Debtors to do and perform all acts and to make, execute and deliver the DIP Loan Documents and all instruments and documents which may be required or necessary for the performance by the Reorganizing Debtors under the DIP Loan Documents and the creation and perfection of the security for the Obligations described in and provided for by the DIP Loan Documents and this Final Order. The DIP Loan Documents shall be valid and enforceable against the Reorganizing Debtors and all other parties in accordance with the terms thereof.

11. This Final Order authorizes the Reorganizing Debtors to grant to Lender, and Lender is hereby granted, pursuant to subsection 364(c)(3) of the Bankruptcy Code a continuing third priority Lien and security interest in and to all Collateral (as defined in the DIP Loan Documents and excluding the Excluded Assets) of the Borrower and the Guarantors, subject only to (i) valid and perfected Liens in existence on the Petition Date and junior to such valid and perfected Liens; (ii) valid, enforceable and nonavoidable Liens existing as of the Petition Date, but perfected after the Petition Date pursuant to section 546(b) of the Bankruptcy Code only to the extent such post-petition perfection is expressly permitted under the Bankruptcy Code; (iii)

the Carve-Out; and (iv) Permitted Senior Liens (including the ATSB Pre-Petition Liens and liens granted or confirmed pursuant to the Southwest DIP Facility Order and the ATSB Cash Collateral Order).

12. Collateral shall include, among other collateral as set forth in the DIP Loan Agreement, (i) all property owned or leased (except as provided in clause (iii) below) by any of the Reorganizing Debtors as of the date of the DIP Loan Documents at the Chicago Midway Airport in which the Lender does not already hold a valid, enforceable and perfected lien or security interest and the proceeds therefrom; provided, however, that the Lender shall not receive any Liens, security interests or operational rights in, or any reversionary interests or any right to control or use the Chicago Midway Airport terminal facilities that are the subject of the Chicago Midway Airport Amended and Restated Use Agreement and Facilities Lease (the "Chicago Midway Facilities Lease") themselves or in the Chicago Midway Facilities Lease for such airport terminal facilities and, (ii) any interest the Reorganizing Debtors have in the right to receive the proceeds, if any, from any assumption and assignment, to any person engaged in the air transportation business and no other person, of the Chicago Midway Facilities Lease for any Chicago Midway Airport terminal facilities, as approved by the Court and subject to any and all City of Chicago consents as are required; provided, further, that any such City of Chicago consent shall be absolute, exclusive and not subject to challenge by the Lender or the Reorganizing Debtors regardless of any adverse effect that the lack of, or conditions to, any such consent may have or be claimed on the amount of proceeds resulting from lack of consent to such an assumption and assignment.

13. Notwithstanding anything to the contrary in this Order or any of the DIP Loan Documents, the Collateral shall not include the Section 1110 Assets or the Excluded Assets.

14. Notwithstanding anything to the contrary in this Final Order or the DIP Loan Documents (i) all obligations due National City Bank of Indiana ("National City Bank") under the Credit Agreement, as amended, (the "National City Bank Credit Agreement") approved by this Court pursuant to its Final Order Authorizing and Allowing Debtors to Obtain Post-Petition Financing Pursuant to 11 U.S.C. §§ 105(a) and 364(c) with National City Bank of Indiana (Docket No. 850) and subsequent orders approving amendments to the National City Bank Credit Agreement (Docket Nos. 2220 and 2975) (together such orders shall be the "Order Approving National City Bank Credit Agreement") up to the existing $40,000,000 credit limit shall constitute permitted Indebtedness under section 7.03 of the DIP Loan Agreement and (ii) the liens and security interests granted to National City Bank by the Debtors pursuant to the Order Approving National City Bank Credit Agreement to secure all obligations under the National City Bank Credit Agreement shall constitute "Permitted Senior Liens" under section 7.01 of the DIP Loan Agreement. Furthermore, nothing in the DIP Loan Documents or herein shall affect the obligations owed by the Debtors to National City Bank under the National City Bank Credit Agreement, or the liens, priorities or protections granted to National City Bank under the terms of the National City Bank Credit Agreement, as approved by this Court in the Order Approving National City Bank Credit Agreement.

15. Other than under the ATSB Cash Collateral Order and Southwest DIP Facility Orders, no other claim or lien having a priority superior to or pari passu with those granted by this Final Order or the DIP Loan Documents to Lender shall be granted or allowed while any portion of the Obligations arising under the DIP Facility remain outstanding.

16. The automatic stay imposed under section 362(a) of the Bankruptcy Code is hereby lifted to the extent necessary to permit (i) the Reorganizing Debtors to grant the Liens and

to perform the Reorganizing Debtors' liabilities and Obligations to Lender under the DIP Loan Documents, (ii) the delivery by the Lender of an Enforcement Notice (as defined below) and (iii) the exercise of the rights or remedies by the Lender following an Event of Default as provided in the DIP Loan Documents and this Final Order.

17. Except as otherwise agreed in writing between the Reorganizing Debtors and the Lender, the Reorganizing Debtors shall use advances under the DIP Facility or proceeds of any DIP Collateral only as provided in the DIP Loan Documents. For purposes of this Order, "proceeds" of any collateral shall mean proceeds (as defined in the Uniform Commercial Code) of such collateral as well as (i) any and all proceeds of any insurance; indemnity or warranty or guaranty payable to the Reorganizing Debtors from time to time with respect to any of such collateral, (ii) any and all payments (in any form whatsoever) made or due and payable to the Reorganizing Debtors in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of such collateral by any governmental body, authority, bureau or agency (or any person under color of governmental authority), and (iii) any other payments, dividends, interest or other distributions on or in respect of any of such collateral.

18. Except as otherwise allowed pursuant to this Final Order or any other order of this Court, the Reorganizing Debtors shall not be permitted to (a) make any payment or prepayment on or redemption or acquisition for value (including, without limitation, by way of depositing with the trustee with respect thereto money or securities before the due date for the purpose of paying when due) of any Pre-Petition Indebtedness or other Pre-Petition obligations of the Borrower or any Guarantor, (b) pay any interest on any Pre-Petition Indebtedness of the Borrower or any Guarantor (whether in cash, in kind securities or otherwise), or (c) make any payment or create or permit any Lien pursuant to Section 361 of the Bankruptcy Code (or

pursuant to any other provision of the Bankruptcy Code authorizing adequate protection), or apply to this Court for the authority to do any of the foregoing; provided, however, that notwithstanding the foregoing, the Borrower and the Guarantors may (and may file motions seeking to) (a) make payments in respect of Indebtedness or obligations under any security agreement, lease or conditional sale contract relating to "equipment" (as that term is defined in Section 1110(a)(3) of the Bankruptcy Code as in effect on the date hereof), (b) pay cure costs with respect to executory contracts or unexpired leases that the Borrower or Guarantors have been allowed by this Court to assume under Section 365 of the Bankruptcy Code, (c) make or pay accrued payroll and related expenses and employee benefits as of the Petition Date, (d) pay sales and use taxes, (e) pay all obligations required to be paid pursuant to the DIP Loan Documents, (f) make payments for administrative expenses that are allowed and payable under Sections 330 and 331 of the Bankruptcy Code, (g) make payments permitted by the First Day Orders (h) make adequate protection or other payments to the ATSB Lender Parties and other secured creditors as may be required by the ATSB Cash Collateral Order or payments under other orders of the Court, (i) make payments to Southwest as may be required by the Southwest DIP Facility Order or payments to Southwest under other orders of the Court, including reimbursement of expenses to Southwest pursuant to the Transfer and Settlement, and (j) make payments to such other claimants and in such amounts as may be consented to by the Lender and approved by this Court.

19. In addition to the Liens granted herein, the Obligations under the DIP Facility shall be an allowed administrative expense claim with priority (subject only to the Carve-Out and subordinate to the superpriority administrative expense claims granted or confirmed pursuant to the ATSB Cash Use Order and Southwest DIP Facility Order) under section 364(c)(1) of the

Bankruptcy Code and otherwise, over any or all administrative expense claims and other claims against the Reorganizing Debtors, now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation, administrative expenses of the kinds specified in or ordered pursuant to sections 105, 326, 328, 330, 331, 503(a), 503(b), 507(a), 507(b), 546(c), and 1114 of the Bankruptcy Code, whether or not such claim or expenses may become secured by a judgment lien or other non-consensual lien, levy or attachment (the "Superpriority Claim").

20. All amounts applied to the payment of the Obligations under the DIP Facility shall be applied thereto in the manner set forth in the DIP Loan Documents.

21. This Final Order shall be sufficient and conclusive evidence of the validity, perfection, and priority of (i) the Lender's Liens upon the Collateral to secure all Obligations and any and all security interests and liens granted under this Final Order or the DIP Loan Documents are perfected immediately and without further act or deed, including the necessity of the execution by the Reorganizing Debtors, or the filings, recording or noticing, of financing statements, mortgages, deeds of trust, notices of lien, aircraft mortgages, security agreements, or other filing or recordings customarily made or which may otherwise be made or required under the law of any jurisdiction or the taking of any other action to validate or perfect the Liens of the Lender upon the Collateral, or to entitle the Lender to the priority granted herein (including, in respect of cash or cash equivalent, any requirement that the Lender have possession of or dominion and control over, any such cash or cash equivalent in order to perfect an interest therein); provided that the Reorganizing Debtors may execute and the Lender may file or record financing statements, mortgages or other instruments to evidence and perfect the Liens authorized hereby; and provided further that no such filing or recordation shall be necessary or required in order to evidence, create or perfect any such Lien.

22. The Reorganizing Debtors are hereby authorized and directed to pay in accordance with the provisions set forth in the DIP Loan Documents, (i) the Funding Fee (also referred to in the Commitment Letter as the MP Funding Fee) in an amount equal to $3,600,000.00 on the Closing Date; all (ii) reasonable costs and expenses of the Lender (including all reasonable fees, expenses and disbursements of outside counsel and any appraiser retained by the Lender) incurred in connection with the development, preparation, execution and delivery of the DIP Loan Documents and the funding of all loans under the DIP Facility, including, but not limited to, all due diligence fees and reasonable expenses incurred or sustained by the Lender in connection with the DIP Facility, the transactions contemplated by the DIP Loan Documents or the administration, amendment or waiver of the DIP Loan Documents; (iii) costs and expenses of the Lenders (including all reasonable fees, expenses and disbursements of outside counsel, appraisers, field auditors and any financial advisor retained by the Lender) in connection with the administration of the DIP Facility after the Closing Date, which expenses shall be paid at the time of the effective date of a plan for any or all of the Reorganizing Debtors; and (iv) costs and expenses incurred by the Lender in connection with the enforcement of any of their rights and remedies under any of the DIP Loan Documents, and this Final Order. None of such costs and expenses shall be subject to the approval of this Court, and no recipient of any such payment shall be required to file with respect thereto any interim or final fee application with this Court.

23. Each officer of the Reorganizing Debtors as may be so authorized by the Board of Directors of each of the Reorganizing Debtors, acting singly, is hereby authorized to execute and deliver each of the DIP Loan Documents, such execution and delivery to be conclusive of their respective authority to act in the name of and on behalf of the Reorganizing Debtors.

24. The Lender may file a certified copy of this Final Order as a mortgage, financing statement or similar perfection document with any recording officer designated to file financing statements or with any registry of deeds or similar office in any jurisdiction in which any of the Reorganizing Debtors have real or personal property.

25. The DIP Facility has been and shall be governed by the DIP Loan Documents and this Final Order. The DIP Loan Documents and Final Order shall constitute and evidence the valid and binding Obligations of each of the Reorganizing Debtors, which Obligations shall be enforceable against each of the Reorganizing Debtors in accordance with the terms thereof and hereof.

26. Interest on the Obligations under the DIP Facility shall accrue at the rates (including applicable default rates) and shall be paid at the times as provided in the DIP Loan Agreement and the DIP Loan Documents. Upon the Maturity Date (whether by acceleration or otherwise) of any of the Obligations under the DIP Facility, including under the, the DIP Loan Agreement or any of the other DIP Loan Documents, such Obligations shall, subject to paragraph 36 hereof, become immediately payable without further application to or order of this Court. For purposes of this Order, the "Maturity Date" shall mean the earliest of (a) March 15, 2006, (b) the occurrence of an Event of Default and acceleration of the Obligations, and (c) the effective date of a chapter 11 plan for any or all of the Reorganizing Debtors.

27. Except as provided for herein including for the "Carve-Out", no costs or expenses of administration, including, without limitation, professional fees allowed and payable under sections 330 and 331 of the Bankruptcy Code that have been or may be incurred in these Cases, and no priority claims with respect to or relating to the DIP Collateral are, or will be, prior to or on parity with (a) the Obligations under the DIP Loan Documents or (b) the Superpriority Claim.

28. The term "Carve-Out" means a carveout from the Liens and Superpriority Claim granted to the Lender pursuant to the DIP Loan Documents, the Interim Order and this Final Order of the Court for the fees and expenses arising from claims in the Cases of the following parties for the following amounts: (i) quarterly fees required to be paid to the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6) and any fees payable to the Clerk of the Bankruptcy Court, (ii) prior to the occurrence of an Event of Default (a) the reasonable expenses of any member of the Creditors' Committee that are allowed by this Court and (b) unpaid professional fees and disbursements incurred prior to the occurrence of an Event of Default by the professionals retained, pursuant to Sections 327 or 1103(a) of the Bankruptcy Code, by the Reorganizing Debtors and the Creditors' Committee, that have been allowed by this Court (before or after the Event of Default), provided that such fees and disbursements payable after an Event of Default do not exceed the amounts included in the Borrower's Projections for the term of the DIP Facility, and (iii) following the occurrence of an Event of Default (x) the reasonable expenses of any member of the Creditors' Committee and (y) unpaid professional fees and disbursements by the professionals retained pursuant to Sections 327 or 1103(a) of the Bankruptcy Code, by the Reorganizing Debtors and the Creditors' Committee, incurred after the occurrence of an Event of Default that have been allowed by this Court not to exceed $500,000 in the aggregate.

29. The Carve-Out shall not include, apply to or be available for any fees or expenses incurred by any party, including the Reorganizing Debtors, the Creditors' Committee, or any of their respective professionals, in connection with the investigation (including discovery proceedings), initiation or prosecution of any claims, causes of action, adversary proceedings or other litigation against the Lender in connection with the DIP Loan Documents and this Final

Order including challenging the amount, validity, perfection, priority or enforceability of or asserting any defense, counterclaim or offset to, the obligations thereunder or the security interests granted thereby and Liens of the Lender in respect thereof.

30. So long as no Event of Default shall have occurred and be continuing under the DIP Loan Documents, the Reorganizing Debtors shall be permitted to pay administrative expenses of the kind specified in section 503(b) of the Bankruptcy Code incurred in the ordinary course of business of the Reorganizing Debtors, subject to the limitations set forth herein; as the same may be due and payable.

31. No cost or expense that is incurred by the Reorganizing Debtors in connection with or on account of the preservation or disposition of any DIP Collateral or that otherwise could be chargeable to the Lender or the DIP Collateral pursuant to section 506(c) of the Bankruptcy Code or otherwise, shall be chargeable to the Lender or the DIP Collateral except for the Carve-Out.

32. Without limiting the provisions and protections set forth herein, if at any time prior to (i) the indefeasible repayment in full in cash of all Obligations under the DIP Facility (other than contingent indemnification obligations), and (ii) the termination of the Commitments (as defined in the DIP Loan Agreement), any Reorganizing Debtor or any subsequently appointed trustee obtains credit or incurs debt outside of the applicable Reorganizing Debtor's ordinary course of business pursuant to section 364(c) or 364(d) of the Bankruptcy Code, then, except as permitted or contemplated by the DIP Loan Documents, this Final Order or any other order of this Court, all of the cash consideration for such credit or debt shall immediately be applied to the indefeasible payment in full in cash of the Obligations under the DIP Facility in accordance with the DIP Loan Documents.

33. All Obligations of the Reorganizing Debtors to the Lender under the DIP Facility are due and payable, without notice and demand, upon the earliest to occur of (the "Termination Date"):

(a) the date of termination in whole of the commitments pursuant to the DIP Loan Documents; or

(b) March 15, 2006; or

(c) the effective date of any chapter 11 plan for any of the Reorganizing Debtors; or

(d) upon the occurrence of an Event of Default (including, but not limited to, the dismissal or the conversion to chapter 7 of any of the Cases of the Borrower or a Guarantor, or an order of this Court shall be entered reversing, amending, supplementing, staying, vacating or otherwise modifying in a manner that is adverse to the Lenders this Final Order), subject to the actions set forth herein.

34. Unless and until the Obligations under the DIP Loan Documents are unconditionally and indefeasibly repaid in full in cash, the protections afforded to the Lender under the DIP Loan Documents and this Final Order, and any actions taken pursuant thereto and hereto, and the Carve-Out, shall survive the entry of any order (a) confirming any chapter 11 plan in any of the Cases (and, to the extent not satisfied in full, the Obligations shall not be discharged by entry of any such order, or pursuant to Bankruptcy Code section 1141(d)(4), each of the Reorganizing Debtors having waived such discharge), (b) converting any Case to a case under chapter 7 of the Bankruptcy Code, or (c) dismissing any Case, and the terms and provisions of this Order as well as the Superpriority Claim and Liens granted pursuant to this Final Order and the DIP Loan Documents shall continue in full force and effect notwithstanding

the entry of any such order, and such Superpriority Claim and Liens shall maintain their priority as provided by this Order and to the maximum extent permitted by law until all Obligations are indefeasibly paid in full and discharged. This Order shall bind any trustee hereafter appointed for the estate of any of the Reorganizing Debtors, whether in any of the Cases or in the event of the conversion of any Case to a case under chapter 7 of the Bankruptcy Code.

35. The time and manner of payment of the Obligations pursuant to the DIP Facility, the Liens upon the DIP Collateral and the Superpriority Claim shall not be altered or impaired by any plan that hereafter may be confirmed for any of the Reorganizing Debtors or by any further order that hereafter may be entered, in each case without the consent of the Lender.

REMEDIES UPON AN EVENT OF DEFAULT

36. Upon the occurrence of an Event of Default, the Lender may, at its option and without further order of the Court, but subject to any order of this Court restricting or otherwise affecting any remedies described below, and as further provided in the DIP Loan Documents, (a) terminate the DIP Facility and all Commitments thereunder, (b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable under any DIP Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower; and (c) upon five (5) business days prior written notice (any such notice, an "Enforcement Notice") to the Reorganizing Debtors, the United States Trustee, the Creditors' Committee, the ATSB Lender Parties and Southwest, the Lender shall be entitled to exercise any of its rights and remedies as provided in this Final Order, the DIP Loan Documents or applicable law in order to effect repayment of the Obligations or to receive any amounts or remittances due in connection therewith, including without limitation (i) exercising all rights and remedies available to Lender in respect of the Collateral, including without limitation,

foreclosing upon and selling all or a portion of the Collateral and/or (ii) exercising all rights and remedies available to the Lender under this Final Order and the DIP Loan Documents, or any applicable law. Such Enforcement Notice shall also be filed with this Court. Notwithstanding the occurrence of an Event of Default or the Termination Date or anything herein, all of the rights, remedies, benefits and protections provided to the Lender under this Final Order and the DIP Loan Documents shall survive the Termination Date.

37. As of the date hereof the Lender shall be and shall be deemed to be, without any further action or notice, named as additional insured on each insurance policy maintained by the Reorganizing Debtors which in any way relates to the Collateral.

38. Without prejudice to the rights of any other party, including the Creditors' Committee, the Reorganizing Debtors each hereby acknowledge, as of the date hereof, that the Reorganizing Debtors, have no defense, counterclaim, offset, recoupment, cross-complaint, claim or demand of any kind or nature whatsoever that can be asserted to reduce or eliminate all or any part of the Reorganizing Debtors' liability to repay the Lender as provided in the DIP Loan Documents or to seek affirmative relief or damages of any kind or nature from the Lender.

39. The Reorganizing Debtors, each in its own right and on behalf of its bankruptcy estate, all its successors, assigns, subsidiaries and any affiliates and any Person acting for and on behalf of, or claiming through it (collectively, the "Releasing Parties"), hereby fully, finally and forever release and discharge the Lender and all of its past and present officers, directors, servants, agents, attorneys, financial advisors, assigns, heirs, parents, subsidiaries, and each Person acting for or on behalf of any of them (collectively, the "Released Parties") of and from any and all past and present actions, causes of action, demands, suits, claims, liabilities, Liens, lawsuits, adverse consequences, amounts paid in settlement, costs, damages, debts, deficiencies,

diminution in value, disbursements, expenses, losses and other obligations of any kind or nature whatsoever, whether in law, equity or otherwise (including, without limitation, those arising under Sections 541 through 550 of the Bankruptcy Code and interest or other carrying costs, penalties, legal, accounting and other professional fees and expenses, and incidental, consequential and punitive damages payable to third parties), whether known or unknown, fixed or contingent, direct, indirect, or derivative, asserted or unasserted, foreseen or unforeseen, suspected or unsuspected, now or existing against any of the Released Parties, whether held in a personal or representative capacity, and which are based on any act, fact, event or omission or other matter, cause or thing occurring at or from any time prior to and including the date hereof in any way, directly or indirectly arising out of, connected with or relating to the DIP Loan Documents, this Final Order and the transactions contemplated hereby or approved herein, and all other agreements, certificates, instruments and other documents and statements (whether written or oral) related to the DIP Facility; provided, however, that nothing herein shall affect the rights of any of the parties to the agreements executed in connection with the Closing.

40. Immediately following the occurrence and during the continuance of any Event of Default:

(a) the Reorganizing Debtors shall continue to deliver and cause the delivery of the proceeds of DIP Collateral to the Lender, as provided in the DIP Loan Documents;

(b) the Lender shall continue to apply such proceeds in accordance with the provisions of the DIP Loan Documents and this Final Order; and

(c) subject to the giving of an Enforcement Notice, any obligation otherwise imposed on the Lender to provide any loan or advance pursuant to the DIP Loan Documents shall be terminated.

41. Nothing included herein shall prejudice, impair, or otherwise affect the rights of the Lender to seek any other or supplemental relief in respect of the Reorganizing Debtors consistent with and subject to the provisions of this Final Order, including the Lender's rights or remedies, as provided in the DIP Loan Documents during the continuance of a default or an Event of Default, to seek to limit the Reorganizing Debtors' use of cash collateral, or to suspend or terminate the making of loans and/or advances under the DIP Loan Documents.

MISCELLANEOUS DIP CREDIT FACILITY PROVISIONS

42. The validity, priority and enforceability of any credit extended or security interest or lien granted or perfected pursuant to the DIP Loan Documents or this Final Order is hereby deemed to have been extended in good faith pursuant to section 364(e) of the Bankruptcy Code, and is hereby granted the benefits and protections accorded under section 364(e) of the Bankruptcy Code. If any provision of this Final Order is hereafter modified, vacated or stayed by subsequent order of this or any other Court for any reason, such modification, vacation, or stay shall not affect the validity of any Obligation incurred pursuant to the DIP Loan Documents or this Final Order and prior to the later of (a) the effective date of such modification, vacation, or stay, or (b) the entry of the order pursuant to which such modification, vacation, or stay was established, the validity, priority, or enforceability of any Lien or Superpriority Claim granted by the Reorganizing Debtors to the Lender or authorized herein.

43. The Liens and Superpriority Claim granted to the Lender under the DIP Loan Documents and this Final Order, and the priority thereof, and any payments made pursuant thereto, shall be binding (subject to the terms of this Order) on the Reorganizing Debtors and any successor trustee for the Reorganizing Debtors to the fullest extent permitted by applicable law.

44. Lender's failure to seek relief or otherwise exercise its rights and remedies under the DIP Loan Documents or this Final Order shall not constitute a waiver of any of the Lender's rights hereunder, thereunder, or otherwise.

45. In the event of any inconsistency between the terms and conditions of the DIP Loan Documents and the provisions of this Final Order, the provisions of this Final Order shall govern and control. Nothing contained herein is intended to affect any other order of this Court.

46. Nothing in this Final Order shall impair any setoff or recoupment rights the United States of America may have.

47. This Final Order shall constitute findings of fact and conclusions of law and shall take effect and be fully enforceable immediately upon execution hereof.

48. The Court shall retain jurisdiction over this Final Order to resolve any disputes arising in connection with the DIP Facility or the DIP Loan Documents.

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Requested by:

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