

PEACHTREE CITY, Ga., Nov. 12, 2013 /PRNewswire/ -- Global Aviation Holdings, Inc., the largest commercial provider of charter air services to the US Military and a major provider of worldwide commercial global passenger and cargo air transportation services, today announced that the Company and its subsidiaries, including its two operating airlines World Airways and North American Airlines, have filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware

. The Company has taken this action to strengthen its balance sheet and gain financial flexibility as it continues to realign its operations. The Company intends to continue to operate during the reorganization process.

As part of the reorganization, the Company is taking steps to align its cost structure with the realities of market demand. The Company expects to reduce its workforce accordingly by approximately 16% of the employees over the next 90 days.

"We intend to use the reorganization process to help implement our plan to lower costs, stabilize our businesses, grow revenue and diversify our product lines," said John Graber, Chief Executive Officer. "We have taken a number of steps to improve our operations over the past few months and we were making great progress; however, the continued worldwide downturn in commercial freight markets coupled with the military's decision to immediately curtail its cargo expansion flying has made it necessary for us to undertake this court-supervised reorganization. We believe that this reorganization will enable us to reduce our debt and implement operational changes, while maintaining our commitment to safety, compliance and reliable customer service."

He continued, "We appreciate the ongoing dedication of our employees, whose hard work is critical to our success and the future of our company. Regrettably, as a result of a necessary reduced fleet size and as a part of this reorganization, jobs will be impacted. We are committed to treating those who are affected with the respect and dignity they deserve. We will support them as best we can in their transition."

In conjunction with its reorganization, the Company has obtained debtor-in-possession (DIP) financing from its first lien lenders. On Court approval, the new financing and cash generated from the Company's ongoing operations will be used to support the business during the reorganization process.

The Company has filed various motions with the Court in support of its reorganization, including requesting authorization to continue paying employee wages and providing health care and other benefits. The Company has also asked for authority to continue existing customer programs and intends to pay vendors for goods and services provided after the filing date of November 12, 2013

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The Company has established a toll-free Restructuring Information Hotline for interested parties, at (877) 726-6511 in North America or internationally at (424) 236-7251. Additional information is available on the Company's website at

www.glah.com

. Court filings and other documents related to the reorganization proceedings are available on a separate website administered by the Company's claims agent, KCC, at

www.kccllc.net/GLAH

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About Global Aviation Holdings

Global Aviation Holdings Inc. is the parent company of North American Airlines and World Airways. North American Airlines, founded in 1989, operates passenger charter flights using B767-300ER aircraft. World Airways, founded in 1948, operates cargo and passenger charter flights using B747-400 and MD-11 aircraft. For more information, visit <http://www.glah.com> , [h](http://www.flynaa.com)

<http://www.flynaa.com>

, and

<http://www.woa.com>

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Global Aviation Holdings Files For Chapter 11 Reorganization

Written by Australian Business

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