



U.S. Department of
Transportation

Office of the Secretary
of Transportation

Transportation Facts

Aviation Consumer Protection Division

Information for consumers regarding the cessation of service by Independence Air

Independence Air, which has been in Chapter 11 bankruptcy since November 7, 2005, announced on January 2, 2006, that it will cease flight operations at about 7:00 pm on January 5, 2006. Set forth below are certain alternatives available to Independence Air customers who have paid for future transportation, or who have other claims against the carrier involving travel that took place through January 5, 2006.

1. Transportation options

If you have purchased a flight on Independence Air that was to take place on or after January 5, 2006 and that has been canceled, you may attempt to make arrangements on other airlines if you still wish to travel. After Independence Air ceases operations, other U.S. scheduled airlines are required to honor Independence Air tickets (including “e-tickets”) for transportation on the same route on at least a standby basis for travel the same day as you were originally ticketed, or as soon thereafter as such space is available.

You must make such arrangements with the substitute airline within 60 days after Independence Air ceased operations, but in no event later than the date of your original travel, unless that date is within three days of the cessation of operations. If your ticketed date of travel is within three days of the date of Independence Air’s cessation of operations, you must make any alternate arrangements for space available travel within one week of the carrier ceasing operations.

Airlines offering standby space may charge you up to \$50 each way (maximum \$100 round trip per person) for such travel. Some carriers may also offer you confirmed space for an additional fee. For further information on the obligations of other airlines to honor Independence Air tickets, go to <http://airconsumer.ost.dot.gov/rules/Section%20145Guidance2005June.pdf>.

If you are en route on an Independence Air ticket and your return flight has been canceled as a result of the carrier’s cessation of operations, you may be able to switch to another Independence Air flight that is operating before the cessation. For details, see the Independence Air web site at <http://www.flyi.com>.

2. Refunds

Independence Air is seeking bankruptcy court approval to provide refunds to customers who have purchased transportation that will be canceled as a result of the cessation of operations.

You should monitor the Independence Air web site (<http://www.flyi.com>) to keep abreast of developments concerning that initiative.

If you charged your Independence Air transportation with a credit card (whether or not you received the ticket) and you do not wish to use the transportation options described above, you may be able to have the entire cost of the ticket credited to your credit card account as described below.

Write to the credit card issuer, being sure to state your account number. Enclose a photocopy of the ticket, itinerary or receipt if possible, or indicate the price of the transportation and the date it was purchased. If the transportation was partially used, identify the used and unused segments. State that Independence Air is in bankruptcy and has ceased operations, that you will not receive the services that you charged to your account and that you are requesting a credit pursuant to the Fair Credit Billing Act.

The credit card issuer must receive this notice no later than 60 days after the date that you received the first monthly statement that listed the charge for the Independence Air transportation, although credit card companies sometimes waive this deadline for future transportation. If you have a paper ticket, some credit card issuers may ask for the original unused ticket. If this is requested, keep a photocopy and send the original ticket certified mail. Do not send the original ticket unless it is requested. However, it would be a good idea to enclose a copy of any confirmation or itinerary sheet that you may have received.

If you cannot take advantage of any of the transportation or refund options described above, you can file a claim in the bankruptcy proceeding. Get a bankruptcy "Proof of Claim" form from any U.S. Courthouse or at <http://www.deb.uscourts.gov/Forms/b10.pdf>. Fill it out, keep a photocopy if possible, and send the original to:

Independence Air Claims Processing
c/o Kurtzman Carson Consultants L.L.C.
12910 Culver Blvd., Suite I
Los Angeles, CA 90066

Make reference to Independence Air and case #05-20011. If possible, enclose a photocopy of your ticket or receipt. Do not send the original, unless it is requested. Such a filing does not guarantee a refund. If a refund is made, it may not be for the full amount of the claim. The process may take a long time. You should note that if you obtain substitute air service from another carrier as described above, it may affect your right to a refund in the bankruptcy proceeding or from a credit card issuer.

3. *Baggage*

After the cessation of operations, Independence Air will not be making payments for baggage or cargo claims (e.g., loss/damage/pilferage). You should send a copy of such claims with a completed "Proof of Claim" form to the bankruptcy court as described in the Refunds section above.

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January 3, 2006