



U.S. Department of
Transportation

Office of the Secretary
of Transportation

Transportation Facts

Information for Consumers Regarding the Cessation of Operations by Southern Sky Air Tours d/b/a Myrtle Beach Direct Air and Tours

(as of March 20, 2012)

On or about March 13, 2012, Southern Sky Air Tours, d/b/a Myrtle Beach Direct Air and Tours (Direct Air) — a public charter operator — ceased operations. Direct Air has subsequently filed for bankruptcy protection in the U.S. Bankruptcy Court for the District of Massachusetts (Worcester) (Case no. 12-40944). Set forth below are certain alternatives available to Direct Air customers.

Air Transportation

Direct Air was authorized by the Department to operate public charter flights between numerous cities and Myrtle Beach, South Carolina, and points in Florida. Under Department regulations, Direct Air has in place an escrow account into which all charter participant funds were to be deposited until payment was made to the airline that was to perform their charter flights. The Department is investigating the handling of that escrow account. In addition, as required by Department rules, Direct Air has in place a surety bond in the amount of \$200,000 protecting charter participant payments.

At this time, it is unclear whether consumers who have completed the outbound portion of their trip and need to return home will be provided return transportation, but we have been advised that the company is working with the airlines involved with its charter program to provide return flights. Direct Air has established a toll-free number that should be operational at the time of publication of this fact sheet to provide consumers more information about this matter. That number is **1-855-888-8090**.

Obtaining a Refund

Consumers affected by Direct Air's cessation of service who are due a refund need to be able to prove to the escrow bank and surety bond company that they purchased charter air transportation or an air charter tour package from Direct Air. Acceptable proof might include a Direct Air receipt or invoice, or possibly the consumer's credit card purchase record.

Under Department rules, consumers may request a refund from Direct Air by writing to the company at 1600 Oak Street, Suite B, Myrtle Beach, SC 29577, with a copy sent to the company's escrow depository bank, Valley National Bank, at 1455 Valley Road, Wayne, NJ 07470.

Consumers may also be able to recover funds by making a claim under Direct Air's surety bond. The bond number is 41060098. The holder of Direct Air's surety bond is Platte Insurance Company. Platte River Insurance Company may be contacted via U.S. mail at P.O. Box 5900, Madison, WI

53705; via fax at 608-829-7451; or via email at bondclaims@capitol.net. In addition, Platte River Insurance Company has established a toll-free phone number to provide information regarding procedures for filing claims, 1-800-475-4450 ext. 4284. Claims made under the surety bond must be made within 60 days of the date of the originally-scheduled return air transportation. Claims are limited to the amount paid by the consumer for the charter air transportation or air charter tour package.

Credit and Debit Card Refunds

Customers who paid Direct Air by credit card may be entitled to a credit from their credit card company under the Fair Credit Billing Act. Write to your credit card issuer, being sure to state your account number. Enclose a photocopy of your credit card statement, if you have received one, and a photocopy of your ticket, itinerary or receipt if possible, or indicate the price of the transportation and the date it was purchased. State that Direct Air has ceased operations, that you will not receive the product that you charged to your account (i.e., the comprehensive tour), 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 Direct Air charge, although credit card companies sometimes waive this deadline for future transportation. If you have a paper ticket or other evidence of your transportation, some credit card issuers may ask for the original unused ticket or other documentation. If this is requested, keep a photocopy and send the original by certified mail. Do not send the original documentation 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.

There are no federal protections for debit card purchases of the type described above for credit cards. However, some debit card issuers voluntarily provide some or all of those protections. If you paid by debit card, consult your debit card issuer regarding your refund rights.

Bankruptcy claim

If you are not able to take advantage of any of the above options, you may file a claim in the bankruptcy proceeding. To do so, get a "Proof of Claim" form (Form B10) at <http://www.mab.uscourts.gov/mab/node/65>. When filling out the form, make reference to Southern Sky Air Tours d/b/a Myrtle Beach Direct Air and Tours, and case 12-40944. See the instructions in the form for any documents you should enclose. Make copies of the form and enclosures and send the claim to:

Clerk, United States Bankruptcy Court
District of Massachusetts
211 Donohue Federal Building
595 Main Street
Worcester, MA 01608-2076

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.

Please be aware that on March 4, 2013, the bankruptcy trustee for Direct Air filed a motion for an order approving the settlement of certain claims to the funds held in the depository account at Valley National Bank. For additional information and to obtain a copy of the motion and all notices attached to the motion, including hearing date and objection deadline, please visit <http://www.pbl.com/resources.php?ArticleID=236>.