

## **Information for Consumers Regarding the Cessation of Service by Pan American World Airways, Inc. and Pan American Airways Corp.**

Pan American World Airways, Inc. and Pan American Airways Corp. (formerly Carnival Airlines), both operating under the Pan Am name, filed for protection under Chapter 11 of the U.S. Bankruptcy Code on February 26, 1998. All scheduled flight operations ceased on February 27, 1998. Set forth below are certain alternatives available to Pan Am customers holding tickets or having claims against the carrier.

### **1. Transportation options**

If you purchased your ticket from Pan Am or from a travel agency where Pan Am was the "issuing carrier," you should attempt to make arrangements on other airlines if you still wish to travel. However, consumers should realize that other airlines are not obligated to honor Pan Am tickets. Under certain circumstances, some carriers may waive fare restrictions to allow you to purchase a lower priced replacement ticket than would otherwise be available. Since the level of assistance may vary among airlines, you should contact your travel agent or the airlines for specifics.

If you bought a ticket from another airline and that ticket includes a segment on Pan Am, you may be able to use that ticket for transportation on another carrier, or you can get a refund from the issuing airline. If you bought a ticket from a travel agency for Pan Am transportation and the ticket shows another airline as issuing carrier, this ticket can also be refunded or can probably be used for travel on another airline. In both of the above cases, if the new airline's fare is higher than the Pan Am fare, you may have to pay the difference. You should contact your travel agency or the airline that issued the ticket to arrange substitute transportation.

### **2. Refunds**

Pan Am is making no ticket refunds, even if a refund had been requested prior to the cessation of operations. The carrier is currently under the protection of the bankruptcy court.

As described at the beginning of section 1 above, if you have a ticket which includes Pan Am transportation but it was purchased from another airline or from a travel agency which showed another airline as the issuing carrier, you can get a refund from the airline or travel agency that issued the ticket if you choose not to use it for substitute transportation. If that airline attempts to assess a cancellation penalty or service charge, point out that Pan Am canceled your flight and you did not cancel your reservation. The airlines' contracts of carriage generally require that they make such refunds on an "involuntary" basis, i.e. without assessing any cancellation fees.

If you charged your Pan Am transportation with a credit card (whether or not you received the ticket) and you have difficulty using the transportation or refund options described above, you may be able to have the 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. Send a photocopy of the ticket, if possible, or indicate the price of the ticket and the date it was purchased. If the ticket was partially used, identify the used and unused segments. State that Pan Am is in bankruptcy and has ceased scheduled 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.

This notice must be received by the credit card issuer no later than 60 days after the date that you received the first **monthly statement** that listed the charge for the Pan Am ticket, although credit card companies sometimes waive this deadline for future transportation. Some credit card issuers may ask for the original unused tickets. If these are requested, keep photocopies and send the originals certified mail. Do not send the originals unless they are requested.

If you are not satisfied with 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. Fill it out, keep a photocopy if possible, and send the original to:

U.S. Bankruptcy Court  
Southern District of Florida  
Miami Division  
51 S.W. First Avenue, 15th Floor  
Miami, FL 33130

Make reference to Case #98-11618-AJC for Pan American Airways Corp. claims and Case #98-11619-AJC for Pan American World Airways, Inc. claims. If you are not sure which company was to provide the service, you should file claims in both proceedings. If possible, send 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 will probably take several months at a minimum.

### **3. Baggage**

As with refunds, Pan Am is making no payments at this time 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.

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March 2, 1998