



SKYGREECE AIRLINES TO FILE FOR BANKRUPTCY PROTECTION AND REORGANIZATION

News / Airlines, Finance



[SkyGreece Airlines](#) (Athens) was a short-lived airline with interests in both Greece and Canada. The airline started operations on June 22, 2014 and abruptly ended all operations last month stranding passengers, especially in Canada. The company has issued this statement about its intention to file for bankruptcy protection in Canada:

SkyGreece Airlines, S.A. on September 3 announced that, with the authorization and approval of its board of directors, the company has filed a Notice of Intention to Make a Proposal (Notice of Intention) pursuant to the provisions of Part III of the Bankruptcy and Insolvency Act (BIA) (Canada).

Pursuant to the Notice of Intention, Ernst & Young Inc. (EY) has been appointed as the trustee in the company's proposal proceedings (the Proposal Trustee) and in that capacity will monitor and assist the company in its restructuring efforts.

It was determined by the company's board of directors that as a result of the company's current financial situation, seeking protection under the BIA would be in the best interests of the company

and all of its stakeholders. This was a very difficult decision for SkyGreece. The company ultimately determined that this was the best course of action to ensure that all of its creditors, including passengers, were treated equitably. While under BIA protection, the company will continue with its efforts to resume service, while determining the best way to see that all parties are compensated fairly.

A Notice of Intention is the first stage of a restructuring process and allows the company to pursue a restructuring of its financial affairs and operations, through a formal Proposal to creditors. This filing has the effect of imposing an automatic stay of proceedings (Stay) that will protect the company and its assets from the claims of creditors and others while the company pursues its restructuring.

SkyGreece was founded with a commitment to providing economical, customer-focused air travel between Athens, Toronto, Montreal, Budapest, Zagreb and New York. In spite of its recent challenges, the company looks forward to serving passengers again soon and to doing everything it can to take care of those passengers who have been recently affected.

SkyGreece is actively working to quickly improve customer communications by establishing a customer and creditor support centre, which it hopes to have operational in the coming days.

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