

This PLAN SUPPORT AGREEMENT (together with, and incorporating herein by reference, all exhibits attached hereto, including the Plan Term Sheet, the "**Agreement**") is made and entered into as of February 14, 2014, by and among:

(a) Global Aviation Holdings Inc. ("**GLAH**") and its direct and indirect chapter 11 debtor subsidiaries (collectively, the "**Debtors**");<sup>1</sup>

(b) Cerberus Business Finance LLC ("**Cerberus**"), in its capacities (i) as Collateral Agent and as Administrative Agent under that certain Financing Agreement dated as of November 14, 2013, by and among, *inter alia*, GLAH, North American Airlines, Inc., and World Airways, Inc., as debtors and debtors in possession, as Borrowers, and Cerberus, as Collateral Agent and Administrative Agent (the "**DIP Financing Agreement**") as approved by that certain *Final Order (1) Authorizing Post-Petition Financing Pursuant to 11 U.S.C. §§ 105 361, 362, 364(c)(1), 364(c)(3), and 364(d)(1); (2) Authorizing the Use of Cash Collateral; (3) Granting Security Interests and Superpriority Claims; (4) Providing Adequate Protection; and (5) Granting Related Relief* entered by the Bankruptcy Court [Dkt. No. 154] (the "**Final DIP Order**"), and (ii) as Collateral Agent and as Administrative Agent under that certain First Lien Financing Agreement dated as of February 13, 2013, by and among by and among, *inter alia*, GLAH, North American Airlines, Inc., and World Airways, Inc., as Borrowers, and Cerberus, as Collateral Agent and Administrative Agent; and

(c) The Official Committee of Unsecured Creditors as appointed by the Office of the United States Trustee (the "**Creditors' Committee**").<sup>2</sup>

#### RECITALS

**WHEREAS**, on November 12, 2013 (the "**Petition Date**"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the "**Bankruptcy Code**") with the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") commencing cases that are being jointly administered under the caption *In re Global Aviation Holdings Inc.*, Case No. 13-12945 (MFW) (collectively, the "**Chapter 11 Cases**");

**WHEREAS**, the Debtors, Cerberus, and the Creditors' Committee have engaged in arm's length, good faith negotiations regarding the formulation of a consensual chapter 11 plan and a resolution of all claims and disputes between them and have agreed upon a plan term sheet, as set forth in Exhibit A attached hereto (the "**Plan Term Sheet**");

**WHEREAS**, the Debtors intend to jointly propose, and Cerberus and the Creditors' Committee intend to support, a chapter 11 plan that encompasses and comports with each of the terms of this Agreement;

**WHEREAS**, the Debtors, Cerberus, and the Creditors' Committee will use Best Efforts (as defined herein) to obtain Bankruptcy Court approval of the Plan in accordance with the Bankruptcy Code and the terms of this Agreement, and each Party will use its Best Efforts to cooperate in that regard; and

**WHEREAS**, in expressing such support and commitment, the Parties recognize that this Agreement is subject to and limited by the solicitation requirements of applicable bankruptcy law.

<sup>1</sup> The Debtors are: Global Aviation Holdings Inc.; Global Shared Services, Inc.; New ATA Acquisition Inc.; New ATA Investment Inc.; North American Airlines, Inc.; World Air Holdings, Inc.; and World Airways, Inc.

<sup>2</sup> The capitalized term "Creditors' Committee" does not include the members of the Creditors' Committee in their individual capacities. All members of the Creditors' Committee reserve and retain their individual rights, whatever they may be, with respect to this Agreement and any motions filed with the Bankruptcy Court.

**NOW, THEREFORE**, in consideration of the foregoing and the premises, mutual covenants, and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**Section 1. Definitions.** In addition to the terms defined in the above Recitals, as used in this Agreement, the following terms shall have the meanings specified below.

"**Approved Plan Documents**" has the meaning set forth in Section 2 hereof.

"**Automatic Stay**" means the stay provided by section 362 of the Bankruptcy Code.

"**Best Efforts**" means the obligation to act with honesty, expedience, and good faith in light of one's own capabilities, taking into account the context of the transaction; provided, that "best efforts to resolve or defeat all objections to the Plan" shall in no event (i) require Cerberus to accept a treatment that discriminates unfairly that is not fair and equitable under 11 U.S.C. § 1129(b) or that is inconsistent with this Agreement, (ii) require Cerberus to provide more consideration than that set forth in the Plan Term Sheet, or (iii) require any Party to expend resources beyond its own professional fees required to prosecute the Plan. For the avoidance of doubt, the Parties agree that Plan Term Sheet does not contemplate treatment that discriminates unfairly or that is not fair and equitable under 11 U.S.C. § 1129(b).

"**Bid Procedures Order**" means the *Order Granting Motion of the Debtors for Order (A) Approving Sale Procedures in Connection With the Sale of the Debtors' Business, (B) Scheduling an Auction, Prevailing Bidder Hearing, and the Manner of Notice Thereof, and (C) Establishing Procedures Relating to the Cure Amount for the Assumption and/or Assumption and Assignment of Executory Contracts and Unexpired Leases* entered by the Bankruptcy Court on January 27, 2014 (Dkt. No. 297).

"**Business Day**" means any day other than Saturday, Sunday and any day that is a legal holiday or a day on which banking institutions in New York, New York are required or authorized by law or governmental action to close.

"**Claims**" has the meaning set forth in section 101(5) of the Bankruptcy Code.

"**Confirmation Order**" means the order of the Bankruptcy Court approving the Plan and that satisfies the criteria of an Approved Plan Document.

"**Definitive Documents**" means the Plan, the Disclosure Statement, the Confirmation Order, and any documents related thereto or contemplated therein.

"**Disclosure Statement**" means a disclosure statement that (1) is filed in connection with, and in support of, the Plan, (2) is materially consistent in all respects with this Agreement, and (3) is an Approved Plan Document, as the same may be amended, supplemented, or otherwise modified as provided herein.

"**Parties**" means the Debtors, Cerberus, and the Creditors' Committee. Each of the foregoing Parties is a Party.

"**Plan**" means a chapter 11 plan to be jointly proposed by the Debtors in each of the Chapter 11 Cases, that contains the same terms set forth in, and is otherwise materially consistent with, this Agreement and that is an Approved Plan Document, as the same may be amended, supplemented, or otherwise modified as provided herein.

"**Representatives**" means a person's or entity's former and current officers, former and current directors, former and current principals, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, and other professionals, each solely in its capacity as such.

"**Solicitation**" means the Debtors' solicitation of votes in favor of the Plan following approval by the Bankruptcy Court of the Disclosure Statement pursuant to section 1125 of the Bankruptcy Code.

"**Termination Event**" means any of the events set forth in Section 5.1 hereof, whatever the reason for such Termination Event and whether it is voluntary or involuntary.

"**Termination Notice**" means written notice provided upon the occurrence of a Termination Event, by any Party seeking to terminate this Agreement, to the other Parties specifying the clause hereto pursuant to which such termination is made.

**Section 2. Plan.** Subject to section 9.6(c) hereof:

- (a) Each Party agrees, solely with respect to itself, that it will negotiate the Definitive Documents in good faith, and such Definitive Documents will be materially consistent in all respects with the Plan Term Sheet, and otherwise in form and substance reasonably acceptable to the Parties, and that, upon execution, the terms and conditions set forth in the Plan Term Sheet are not subject to further negotiation or change. Notwithstanding anything to the contrary herein and except as provided in section 9.6(c) hereof, in no event shall the Plan or the Definitive Documents increase or decrease directly or indirectly the consideration to be provided by Cerberus or to be received by holders of General Unsecured Claims (as defined in the Plan Term Sheet), as set forth in the Plan Term Sheet, or otherwise require any amount to be payable, directly or indirectly, by Cerberus beyond that consideration. If the Definitive Documents satisfy the criteria in this Section 2(a), they will be considered the "**Approved Plan Documents**;"
- (b) Each Party agrees, solely with respect to itself, to support the releases and exculpatory provisions set forth in the Plan Term Sheet and agrees that such releases and exculpatory provisions will not be severable from other provisions in the Plan or Confirmation Order; and
- (c) No changes may be made to this Agreement, and no material variations may be made to any Approved Plan Document.

**Section 3. The Debtors' Obligations Under This Agreement.**

As long as this Agreement has not been terminated, the Debtors agree, subject to the terms and conditions of this Agreement and the Bid Procedures Order to:

- (a) (i) file the Plan and the Disclosure Statement with the Bankruptcy Court, (ii) use Best Efforts to obtain Bankruptcy Court approval of the Disclosure Statement, (iii) as soon as practicable following approval of the Disclosure Statement by the Bankruptcy Court, use Best Efforts to cause the solicitation of votes on the Plan and seek entry of the Confirmation Order, (iv) provide Cerberus and the Creditors' Committee a meaningful opportunity to review prior to filing any amendment, modification, or supplement to the Plan or Disclosure Statement or any other proposed filing in the Chapter 11 Cases related to the prosecution of the Plan or Disclosure Statement (including, without limitation, any other motion regarding solicitation and voting procedures), and (v) use Best Efforts to obtain any and all required regulatory and/or third-party approvals for the transactions embodied in the Plan and the Plan Term Sheet;
- (b) until the termination of this Agreement, not withdraw the Plan or amend or modify the Plan in any material manner without the consent of Cerberus (which Cerberus may grant or withhold in Cerberus's sole discretion) and the Creditors' Committee (which the Creditors' Committee may grant or withhold in its sole discretion as to matters relating to distributions to general unsecured creditors under the Plan only, and otherwise is subject to a standard of reasonableness); and
- (c) neither take, nor encourage any other person or entity to take, any action which would, or would reasonably be expected to, breach or be inconsistent with this Agreement or the Plan or delay, impede, or take any other negative action, directly or indirectly, to interfere with the acceptance and consummation of the Plan.

Notwithstanding anything to the contrary herein, all documents related to Solicitation, including noticing of any hearing on confirmation of the Plan, must be in form and substance satisfactory to the Debtors, Cerberus, and the Creditors' Committee.

**Section 4. Cerberus' and Creditors' Committee's Obligations.**

As long as this Agreement has not been terminated, Cerberus and the Creditors' Committee agree, subject to the terms and conditions of this Agreement and of the Bid Procedures Order:

- (a) to support approval of the Disclosure Statement and support confirmation of the Plan as soon as reasonably practicable, and on terms consistent with this Agreement and the Plan Term Sheet;
- (b) not to (i) object to confirmation of the Plan or the Disclosure Statement, (ii) object to, or otherwise commence any proceeding to oppose, alter, delay or impede the Plan or the other Approved Plan Documents, (iii) object to, or otherwise oppose, the extension of the Debtors' exclusive right to file a plan of reorganization pursuant to section 1121 of the Bankruptcy Code; (iv) vote (to the extent entitled to vote) for, consent to, support or participate in the formulation of any chapter 11 plan other than the Plan, (v) directly or indirectly seek, solicit, negotiate or support any chapter 11 plan other than the Plan, or any sale or disposition of the remaining assets of the Debtors, or any dissolution, winding up, liquidation, merger, transaction, reorganization or restructuring of the Debtors, if such action reasonably could be expected to prevent, delay or impede the successful implementation of the Plan and the other Approved Plan Documents, (vi) object to the Disclosure Statement or Solicitation or support any such objection by a third party, or (vii) take any other action not required by law that is inconsistent with, or that would materially delay, the confirmation or consummation of the Plan;
- (c) that, so long as its vote has been solicited in a manner sufficient to comply with the requirements of sections 1125 and 1126 of the Bankruptcy Code, including its receipt of the Disclosure Statement following approval of such by the Bankruptcy Court under section 1125 of the Bankruptcy Code, to (i) vote (to the extent entitled to vote) to accept the Plan by delivering its duly-executed and completed ballot accepting the Plan on a timely basis following the commencement of the Solicitation; and (ii) not change or withdraw (or cause to be changed or withdrawn) such vote;
- (d) to take any and all commercially reasonable necessary actions to effectuate the terms of this Agreement;
- (e) in the case of the Committee only, to provide a letter from the Committee in support of the Plan to include in the Solicitation materials; and
- (f) in the case of Cerberus only, to use Best Efforts to obtain any and all required regulatory and/or third-party approvals for the transactions embodied in the Plan and the Plan Term Sheet.

**Section 5. Termination.**

**5.1 Termination Events.**

The following shall be Termination Events:

- (a) the Confirmation Order has not been entered by July 15, 2014, or such later date as agreed to in writing on or before July 15, 2014 by Cerberus in its sole and absolute discretion;
- (b) the effective date of the Plan has not occurred within ninety (90) days after entry of the Confirmation Order, provided, that if the cause of any delay is attributable to delays in obtaining

regulatory approvals, then the parties hereto shall agree in good faith to reasonable extensions of the deadline so long as Cerberus and the Debtors are using Best Efforts to obtain such approvals;

- (c) the Bankruptcy Court has entered an order in any of the Chapter 11 Cases appointing a trustee under chapter 11 of the Bankruptcy Code;
- (d) any of the Chapter 11 Cases is dismissed or converted to a case under chapter 7 of the Bankruptcy Code;
- (e) any court has entered a final, non-appealable judgment or order declaring this Agreement or any material portion hereof to be unenforceable;
- (f) the Bankruptcy Court's approval of a Prevailing Bidder, as defined in and in accordance with the Bid Procedures Order, that is not Cerberus;
- (g) the releases set forth in the Plan Term Sheet are materially modified, amended, changed, severed or otherwise altered in the Plan or any other Definitive Document in any manner;
- (h) the Plan Support Agreement ceases to be binding on any of the Parties;
- (i) Cerberus has declared an Event of Default that is continuing and that has not been cured (if capable of cure) or waived under the DIP Financing Agreement or Final DIP Order; and
- (j) the Debtors file with the Bankruptcy Court a proposed disclosure statement, chapter 11 plan, confirmation order or other related document that is not an Approved Plan Document.

The foregoing Termination Events are intended solely for the benefit of the Parties; provided, that, notwithstanding anything herein to the contrary, a Party may not seek to terminate this Agreement based upon a material breach or a failure of a condition (if any) in this Agreement arising out of its own actions or omissions that violate the terms of this Agreement.

## 5.2 Termination Event Procedures.

(a) Except as provided in Section 5.1, upon the occurrence of a Termination Event, any Party that is materially and adversely affected by such Termination Event may terminate this Agreement by providing a Termination Notice to all other Parties to this Agreement utilizing the notice addresses in section 9.10 hereof, and, unless the Party or Parties providing the Termination Notice waives the Termination Event in writing no later than five (5) Business Days after the date of such Termination Notice, this Agreement shall be terminated; provided, that, Cerberus is the only Party that may terminate this Agreement based upon Section 5.1(i).

Notwithstanding the foregoing, if a Termination Event as specified in clauses (a), (c), (d), (e) or (f), of Section 5.1 hereof occurs, this Agreement shall automatically terminate without further action by any Party. In the event the Agreement is terminated, the Parties shall have no continuing liability or obligation under this Agreement, and each Party shall have all the rights and remedies available to it under applicable law; provided, that, no such termination shall modify any provision which by its express terms survives the termination of this Agreement. Any termination of the Agreement shall not restrict the Parties' rights and remedies for any breach of the Agreement by any Party, including the reservation of rights set forth in Section 7 hereof.

The Parties hereby waive any requirement under section 362 of the Bankruptcy Code to lift the Automatic Stay in connection with giving any Termination Notice (and the order approving this Agreement shall waive any application of the Automatic Stay in connection with giving any such notice, if necessary). If any Party has terminated this Agreement, the Debtors shall file with the Bankruptcy Court a notice concerning such termination within three (3) days of such termination.

**5.3 Mutual Consent to Termination.**

In addition to the Termination Events set forth in Section 5.1 hereof, this Agreement shall be terminable immediately upon the mutual written agreement of all of the Parties.

**5.4 Termination as a Result of the Plan Effective Date.**

On the effective date of the Plan, this Agreement shall terminate without any further act or requirement.

**Section 6. Mutual Representations, Warranties, and Covenants.**

Each Party, solely on behalf of itself, makes the following representations, warranties, and covenants to each of the other Parties, each of which are continuing representations, warranties, and covenants:

**6.1 Good Faith.**

Such Party agrees to negotiate in good faith all of the documents and transactions described in the Plan Term Sheet and in this Agreement, including the Definitive Documents.

**6.2 Enforceability.**

Subject to any relevant provisions of the Bankruptcy Code, this Agreement is a legal, valid, and binding obligation, enforceable against the Debtors, the Creditors' Committee and Cerberus in accordance with its terms.

**6.3 No Consent or Approval.**

Except as expressly provided in this Agreement or as required by the Bankruptcy Code, no consent or approval is required by any other entity in order for such Party to carry out the provisions of this Agreement.

**6.4 Power and Authority.**

Each Party represents that it is duly-organized, validly existing, and in good standing under the laws of its jurisdiction of organization and such Party has all requisite corporate, partnership, or limited liability company power and authority to enter into this Agreement and to perform its respective obligations under this Agreement.

**6.5 Governmental Consents.**

Except as expressly provided herein, the execution, delivery, and performance by such Party of this Agreement does not and shall not require any registration or filing with or consent or approval of, or notice to, or other action to, with or by, any federal, state, or other governmental authority or regulatory body, except such filings as may be necessary and/or required under the federal securities laws or as necessary for the approval of the Disclosure Statement and confirmation of the Plan by the Bankruptcy Court.

**6.6 No Conflicts.**

The execution, delivery, and performance of this Agreement does not and shall not (a) violate any provision of law, rule, or regulations applicable to such Party; (b) violate such Party's certificate of incorporation, bylaws (or other formation documents in the case of a limited liability company); or (c) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which such Party is a party.

**Section 7. No Waiver of Participation and Preservation of Rights.**

This Agreement includes a proposed settlement among the Parties with respect to each Party's Claims and other disputes. Except as expressly provided herein, nothing herein is intended to, does or shall be deemed in any

manner to waive, limit, impair, or restrict the ability of the Parties to protect and preserve their rights, remedies, and interests, including their Claims against any of the Debtors, any liens or security interests they may have in any assets of any of the Debtors, or their full participation in the Chapter 11 Cases, including appearing as a party-in-interest in any matter to be adjudicated in the Chapter 11 Cases. Furthermore, except as expressly provided herein, nothing herein is intended to, does or shall be deemed in any manner to waive, limit, impair, or restrict Cerberus' rights and remedies, including, without limitation, in connection with the DIP Financing Agreement or Final DIP Order.

Without limiting the foregoing sentence in any way, if a Termination Event occurs or if this Agreement is otherwise terminated for any reason or if the transactions contemplated by the Plan are not consummated as provided herein or therein, the Parties each fully reserve any and all of their respective rights, remedies and interests under applicable law and at equity.

## **Section 8. Acknowledgement.**

THIS AGREEMENT IS THE PRODUCT OF NEGOTIATIONS AMONG THE PARTIES AND THEIR RESPECTIVE REPRESENTATIVES. EACH PARTY HEREBY ACKNOWLEDGES THAT THIS AGREEMENT IS NOT AND SHALL NOT BE DEEMED TO BE A SOLICITATION OF VOTES FOR THE ACCEPTANCE OF A CHAPTER 11 PLAN FOR THE PURPOSES OF SECTIONS 1125 AND 1126 OF THE BANKRUPTCY CODE OR OTHERWISE. THE DEBTORS WILL NOT SOLICIT ACCEPTANCES OF THE PLAN FROM ANY PERSON OR ENTITY UNTIL SUCH SOLICITATION HAS BEEN APPROVED BY THE BANKRUPTCY COURT. EACH PARTY FURTHER ACKNOWLEDGES THAT NO SECURITIES OF ANY DEBTOR ARE BEING OFFERED OR SOLD HEREBY AND THAT THIS AGREEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OF ANY DEBTOR.

## **Section 9. Miscellaneous Terms.**

### **9.1 Effectiveness of Agreement.**

This Agreement shall be effective among the Parties immediately upon the Bankruptcy Court's entry of an order approving this Agreement that is (i) in form and substance consistent with this Agreement and otherwise reasonably acceptable to the Parties, and (ii) not subject to a stay.

### **9.2 Conflicts Among the Plan, the other Approved Plan Documents, and this Agreement..**

In the event of any conflict among the terms and provisions in (x) the Plan or the other Approved Plan Documents and (y) this Agreement, the terms and provisions of the Plan shall control.

### **9.3 Further Assurances.**

The Parties agree to execute or cause to be executed and deliver or cause to be delivered all such agreements, instruments and documents and take or cause to be taken all such further actions as may be reasonably necessary from time to time to carry out the intent and purpose of this Agreement and to consummate the transactions contemplated hereby.

### **9.4 Headings.**

The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

**9.5 Governing Law.**

THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CHOICE OF LAWS PRINCIPLES THEREOF.

FURTHER, BY ITS EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT THE BANKRUPTCY COURT SHALL HAVE EXCLUSIVE JURISDICTION OF ALL MATTERS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

**9.6 Complete Agreement, Interpretation, and Modification.**

(a) **Complete Agreement.** This Agreement constitutes the complete agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, between or among the Parties with respect thereto.

(b) **Interpretation.** This Agreement is the product of negotiation by and among the Parties. Any Party enforcing or interpreting this Agreement shall interpret it in a neutral manner. There shall be no presumption concerning whether to interpret this Agreement for or against any Party by reason of that Party having drafted this Agreement, or any portion thereof, or caused it or any portion thereof to be drafted.

(c) **Modification of Agreements.** This Agreement and the Plan Term Sheet may be modified, altered, amended, or supplemented only by an agreement in writing signed by the Debtors, Cerberus, and the Creditors' Committee; provided, however, that in the event that any modification, alteration, amendment or supplementation of this Agreement or the Plan Term Sheet does not affect the rights of or distributions to holders of General Unsecured Claims, such modification, alteration, amendment or supplementation shall be implemented by an agreement in writing signed only by the Debtors and Cerberus.

**9.7 Execution.**

This Agreement may be executed and delivered (by facsimile or otherwise) in any number of identical counterparts, each of which, when executed and delivered, shall be deemed an original and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly-authorized and empowered to execute and deliver this Agreement on behalf of said Party.

**9.8 Settlement Discussions.**

This Agreement is part of a proposed settlement among the Parties. Nothing herein shall be deemed an admission of any kind. To the extent provided by Federal Rule of Evidence 408 and any applicable state rules of evidence, this Agreement and all negotiations relating thereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of this Agreement.

**9.9 Notices.**

All notices hereunder shall be deemed given if in writing and delivered, if sent by email, courier, or by registered or certified mail (return receipt requested) to the following addresses (or at such other addresses or email addresses as shall be specified by like notice):

- (a) if to the Debtors, (i) if by mail or courier to: Global Aviation Holdings Inc., 101 World Drive, Peachtree City, Georgia 30269, Attn: Suzanne Muller; with copies to: Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward & Justin K. Edelson; and Haynes and Boone, LLP, 1221 McKinney Street, Suite 2100, Houston, Texas 77010, Attn: Kenric D. Kattner & Kourtney Lyda; (ii) if by e-mail, to: cward@polsinelli.com;



jedelson@polsinelli.com; kenric.kattner@haynesboone.com; and  
kourtney.lyda@haynesboone.com;

- (b) if to Cerberus, (i) if by mail or courier to: Cerberus Business Finance, LLC, 875 Third Avenue, New York, New York 10022, Attn: Kevin Genda & Ammon Adams; with copies to: Klee, Tuchin, Bogdanoff & Stern LLP, 1999 Avenue of the Stars, 39th Floor, Los Angeles, California 90067, Attn: Michael L. Tuchin & Thomas E. Patterson; (ii) if by e-mail, to: mtuchin@ktbslaw.com; and tpatterson@ktbslaw.com;
- (c) if to the Creditors' Committee, (i) if by mail or courier to: Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, New York 10104, Attn: Brett M. Miller, Todd M. Goren & Erica J. Richards; (ii) if by e-mail, to: brettmiller@mofo.com; tgoren@mofo.com; and erichards@mofo.com.

Any notice given by delivery, mail, email, or courier shall be effective when received.

*[Signature Pages Follow]*

**EXHIBIT 1**

## GLOBAL AVIATION

Term Sheet for Chapter 11 Plan of Reorganization (the "Plan")

February 14, 2014

*This term sheet is a summary only. It does not constitute an offer or a legally binding obligation of the Debtors or Cerberus Business Finance, LLC, nor does it constitute an offer of securities or a solicitation of support for, or the acceptance or rejection of, a chapter 11 plan for the Debtors.*

*The transactions contemplated by this term sheet are for contingency planning purposes only. They are subject to various conditions, other internal review and analysis as well as final approval by the Debtors' Boards of Directors. The proposed transactions, if approved, are to be set forth in definitive documents.*

*This term sheet and the information contained herein is strictly confidential and may not be shared with any other person without the prior consent of Cerberus.*

<b>(1) Plan Proponent/Seller:</b>	Global Aviation Holdings, Inc. (" <u>GLAH</u> "), North American Airlines, Inc. (" <u>North American</u> ") and World Airways, Inc. (" <u>World</u> "), each as debtors and debtors in possession, together with their subsidiaries that are also chapter 11 debtors (the " <u>Debtors</u> ").
<b>(2) Purchaser:</b>	A designee (the " <u>Purchaser</u> ") of Cerberus Business Finance, LLC, as Agent under the First Lien Credit Facility <sup>1</sup> and DIP Loan <sup>2</sup> (" <u>Cerberus</u> ").
<b>(3) Transaction Summary:</b>	
	<p>The proposed plan of reorganization (the "<u>Plan</u>") would effectuate, among other things, the preservation of the Debtors' business as a going concern through cancellation of the existing equity interests of GLAH or one or more of its subsidiaries ("<u>Existing Equity Interests</u>") and issuance of new equity interests ("<u>New Equity Interests</u>") to the Purchaser in consideration of a deemed credit of a portion of the First Lien Claim and the DIP Loan (the "<u>Equity Conversion</u>"), and the conversion of a portion of the First Lien Claim and DIP Loan into exit financing (the "<u>Exit Financing</u>" and, together with the Equity Conversion, the "<u>Consideration</u>").</p> <p>The Plan will also provide for the assumption of executory contracts as designated by the Purchaser (the "<u>Designated Contracts</u>").</p> <p>Upon the effectiveness of the Plan (the "<u>Effective Date</u>"), the Debtors will be reorganized (the "<u>Reorganized Debtors</u>"), the New Equity Interests will be issued in the name of the Purchaser, the Designated Contracts will be assumed by the Reorganized Debtors, and the Debtors will be discharged, to the fullest extent permissible under sections 363, 365, 1123, 1129, and 1141 of the Bankruptcy Code, of all existing liens, interests, claims, and encumbrances.</p> <p>The Plan will be funded through a combination of cash on hand, net proceeds from ordinary course operations, and the DIP Loan.</p>

<sup>1</sup> That certain First Lien Financing Agreement dated as of February 13, 2013 by and among GLAH, World and North American, as Borrowers, and Cerberus, as First Lien Agent and the other First Lien Lenders party thereto in the principal amount, as of the Petition Date, of \$39 million, exclusive of accrued and unpaid interest, fees and expenses (the "First Lien Claim").

<sup>2</sup> That certain Financing Agreement dated as of November 13, 2013 by and among GLAH, North American and World, as debtors and debtors in possession, as Borrowers, and Cerberus, as Collateral Agent and Administrative Agent (the "DIP Agent") and the DIP Lenders party thereto in the maximum principal amount of \$51 million (the "DIP Loan Claim").

<b><i>(a) Treatment of Administrative and Priority Claims</i></b>	All administrative and priority claims will be paid in full in cash on or as soon as practicable after the Effective Date or in deferred cash payments, with interest, as permitted under the Bankruptcy Code, unless the holder of a claim agrees to different treatment. Administrative and Priority Claims may not exceed the amounts set forth in the DIP Budget absent the consent of Cerberus, subject to such additional cushion as agreed to by the Debtors, Cerberus, and the Committee.
<b><i>(b) Existing Equity Interests</i></b>	Cancelled on the Effective Date.
<b><i>(c) Certain Labor Matters</i></b>	The reorganization of World is conditioned upon obtaining concessions under the collective bargaining agreements at World for pilots and flight attendants as of the Effective Date that (i) are in the minimum amount of \$7.5 million per annum (or such other amount as Cerberus and the Debtors agree to), (ii) result in work rules and other terms and conditions no less favorable as apply to pilots and flight attendants at North American, (iii) are otherwise competitive with similarly-situated carriers in the market, and (iv) are implemented pursuant to a written and executed amended, restated and simplified collective bargaining agreement for each of the pilot and flight attendant work groups.
<b><i>(d) Certain Matters Pertaining to Aircraft Leases</i></b>	The purchase of the New Equity Interests is contingent on reaching acceptable terms for leasing and rejecting certain aircraft with aircraft lessors, as set forth on a confidential term sheet to be provided to Cerberus and the Committee.
<b><i>(e) Overbid</i></b>	The proposed plan is subject to overbid as provided in the Sale Procedures approved by the Court. A qualifying overbid must meet the requirements set forth in the Sale Procedures and, absent consent of Cerberus, must be consummated pursuant to a Plan within the timeframes contemplated by the DIP Order (unless the DIP Agent, in its discretion agrees to extend the timeframes). The overbid deadline has been fixed in the Sale Procedures as March 14, 2014, subject to extension, to be followed by an Auction and the right of the Debtors, with Cerberus's consent, to entertain additional bids if Cerberus is the prevailing bidder.
<b><i>(4) Plan Terms:</i></b>	
<b><i>(a) Creditor Trust</i></b>	The Plan shall establish a liquidating trust (the " <u>Creditor Trust</u> ") for the benefit of unsecured creditors to be comprised of an initial cash payment by the Reorganized Debtors in the amount of \$350,000. The Creditor Trust shall also be vested with all Chapter 5 Actions (as defined in the DIP Order) except to the extent such Chapter 5 Actions are waived as set forth in paragraph 5(f) below.
<b><i>(b) Designated Contracts</i></b>	<p>Pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code, as applicable, the Designated Contracts will be assumed by the Reorganized Debtors on the Effective Date of the Plan. It is assumed that prior to the Effective Date, the applicable non-debtor counterparties will continue to perform under existing executory contracts and unexpired leases.</p> <p>Unless otherwise agreed by the parties hereto, the Reorganized Debtors shall cure any allowed claims arising from the assumption of the Designated Contracts, as required under section 365 of the Bankruptcy Code, unless otherwise agreed to between the Debtors and applicable counterparty ("<u>Cure Obligations</u>"). The Reorganized Debtors shall pay the Cure Obligations on or within a reasonable time after the Effective Date. The initial proposed list of the Designated Contracts will be identified prior to the Plan voting deadline and may be modified from time to time prior to the Effective Date.</p>

	<p>Purchaser shall have no responsibility for any liabilities or obligations of the Debtors, other than those obligations expressly assumed by Purchaser. Similarly, the Reorganized Debtors shall have no liability for any liabilities or obligations of the Debtors except as expressly assumed, including Cure Obligations and obligations under the Designated Contracts first arising after the Effective Date (collectively, "<u>Assumed Liabilities</u>").<sup>5</sup></p> <p>Generally, disadvantageous executory contracts and unexpired leases will be rejected, provided that the Debtors and Purchaser have indicated that the contract or lease will not be a Designated Contract.</p> <p>The rejection of an executory contract shall have no effect on the right of the applicable non-debtor counterparty to assert an administrative priority claim on account of goods and/or services provided to the Debtors under such contract on and after the Petition Date; provided that all rights are reserved with respect to the ability of any party to object to the amount of such administrative priority claim.</p>
<b>(5) Treatment of Claims and Equity Interests:</b>	
<b>(a) DIP Loan Claims and First Lien Claim:</b>	<p>In resolution of potential challenges to the forbearance fee added to the principal of the First Lien Claims prior to the Petition Date (the "<u>Forbearance Fee</u>"), Cerberus shall convert \$9 million of the DIP Loan Claims and First Lien Claim (or such greater amount as may be agreed to by the parties hereto) to New Equity Interests through the Equity Conversion. In addition, an additional \$5 million of the DIP Loan Claims and First Lien Claims shall be converted to New Equity Interests through the Equity Conversion or converted into beneficial interests in the Trust. Any remaining balance of the DIP Loan Claims and First Lien Claim shall be refinanced into the Exit Financing.</p> <p>The Exit Financing shall mature and be fully due and payable five (5) years after the Effective Date. Unless the Reorganized Debtors elect to pay interest on a current basis, interest shall accrue at the non-default rate specified in the First Lien Credit Facility. At the lender's option, interest in an amount up to 3.5% shall be paid in cash and any excess over 3.5% shall be paid in kind.</p> <p>In addition, 50% of distributions from the Creditor Trust in excess of \$900,000 shall be distributed to Cerberus in prepayment of principal under the Exit Financing or on account of its beneficial interests.</p>
<b>(b) Administrative Claims:</b>	On the Effective Date, each allowed administrative claim shall be paid in full in cash, unless otherwise agreed to by the holder of the claim.
<b>(c) Second and Third Lien Claims</b>	Discharged. Any consideration to which the Second and Third Lien Lenders are or would otherwise be entitled shall be assigned to the DIP Lenders and/or First Lien Lenders under the applicable Subordination Agreement.
<b>(d) Other Prepetition Secured Claims</b>	On or as soon as practicable following the Effective Date, each holder of an allowed prepetition secured claim other than holders of first lien, second lien, or third lien debt (" <u>Other Secured Claims</u> ") shall, unless otherwise agreed to by such holder, receive one of the following three treatments, at the option of the applicable Debtor: (i) cash equal to the full amount of its secured claim; (ii) any collateral securing such claim; or (iii) otherwise be left unimpaired.
<b>(e) Priority Tax and Other Priority Claims:</b>	Each holder of an allowed priority tax or other priority claim shall receive (i) on the Effective Date cash equal to the full amount of its allowed claim or (ii) beginning on the Effective Date deferred cash payments equal to the amount of its allowed claim to the

<sup>5</sup> Purchaser shall be responsible for obtaining necessary licenses.

	extent permitted by section 1129(a)(9) of the Bankruptcy Code. Deferred cash payments will be with interest on the unpaid portion of such allowed claim under applicable non-bankruptcy law or at a rate to be agreed upon by the Debtors and the applicable counterparty. If the Debtors and the counterparty are unable to agree upon a rate then the rate shall be determined by the Bankruptcy Court.
<b>(f) General Unsecured Claims:</b>	<p>General Unsecured Claims shall receive their pro rata share of any distribution from the Creditor Trust. General Unsecured Claims will not receive any postpetition interest and will not receive payment(s) in excess of the allowed claim amount. General Unsecured Claims shall receive: (a) 100% of the first \$900,000 in distributions from the Creditor Trust; and (b) 50% of distributions from the Creditor Trust in excess of \$900,000, and the remainder of the distributions from the Creditor Trust shall be distributed to Cerberus as set forth in paragraph 5(a). Holders of Second Lien Claims and Third Lien Claims shall not be permitted to participate in the Creditor Trust, pursuant to the applicable Subordination Agreements.</p> <p>Chapter 5 Actions against designated, continuing trade creditors shall be waived so long as such trade creditors enter into agreements obligating them to continue to provide goods and services to the Reorganized Debtors on ordinary and customary trade terms. In addition, any Chapter 5 Actions against other creditors reasonably agreed upon by the Debtors, the Committee and Cerberus shall also be waived.</p>
<b>(g) Subordinated Claims:</b>	Pursuant to section 510(a) of the Bankruptcy Code, to the extent there is a subordination agreement in place between creditors that is enforceable under nonbankruptcy law, the Debtors will honor such subordination agreement and turn over any distributions required to be turned over pursuant to the terms of such agreements and the Bankruptcy Code. The trust distributions above effectuate the Subordination Agreement among the First Lien Lenders, Second Lien Lenders and Third Lien Lenders. Any claims subordinated under section 510(b) or (c) of the Bankruptcy Code or any other applicable law shall not receive or retain any property under the Plan unless and until the subordination is effectuated.
<b>(h) Interests:</b>	Equity interests shall be cancelled.
<b>(6) Other Features of the Restructuring Under the Plan:</b>	
<b>(a) Allowance of First Lien Claim and DIP Loan Claim</b>	Pursuant to section 1123(b)(3) and Rule 9019 of the Federal Rules of Bankruptcy Procedure, the First Lien Claim and DIP Loan Claim will be allowed in the amounts reflected in the Debtors' books and records as confirmed by Cerberus.
<b>(b) Resolution of Potential Committee Challenges</b>	Any challenges that the Committee was granted standing to pursue pursuant to the DIP Order shall be resolved pursuant to Bankruptcy Rule 9019 by the establishment of the Creditor Trust and conversion of the forbearance fee into Equity pursuant to the Plan. The Committee's challenge period shall be tolled pending prosecution of the Plan. The Committee shall be required to assert any challenge within 14 days following (a) any order denying confirmation of the Plan, or (b) the termination of the Plan Support Agreement by any party.
<b>(c) Funding:</b>	The funding for the Debtor's obligations under the Plan will be provided by (i) cash on hand, and (ii) proceeds of the DIP Loan.
<b>(d) Vesting of Assets</b>	The assets of the Debtors' estates, including any and all rights of action and interests in affiliates and investments, as of the Effective Date, excluding the assets vested in the Creditor Trust, shall vest in the Reorganized Debtors on the Effective Date.
<b>(e) Releases:</b>	The broadest exculpation and third party releases that may potentially be approved will

	<p>be sought by the Debtors ("<u>Release Qualification</u>").</p> <p>Subject to the foregoing Release Qualification, the Debtors, the Committee, and the First Lien Agent and Lenders and DIP Agent and Lenders and all of their respective directors, officers, members, advisors and other agents, each in their capacities as such, shall be released from any and all claims in connection with the drafting, solicitation, and implementation of the Plan, the supporting disclosure statement, and other related documents and other actions taken in connection with the chapter 11 cases (except in respect to actions/omissions constituting willful misconduct or gross negligence).</p> <p>Chapter 5 Actions not vested in the Creditor Trust pursuant to paragraph 5(f) shall be released.</p>
<b><i>(f) Feasibility:</i></b>	The Plan will be feasible based on the Debtors' cash on hand, the Consideration, and reasonable projections for the post-Effective Date period.
<b><i>(g) Documents:</i></b>	<p>The Plan, the confirmation order, any sale order, and any and all exhibits, schedules, supplements or other documents necessary for confirmation and consummation of the Plan, shall be in form and substance satisfactory to the Debtors and the DIP Agent. Without limitation, the confirmation order and any sale order shall find that the Purchaser has acted in good faith and is entitled to the full protections afforded under Bankruptcy Code section 363(m), and the confirmation order shall provide for a discharge under Bankruptcy Code section 1141.</p>