Delta Air Lines, Inc. (DE) (NYS: DAL)

History

On May 1, 1953, Chicago & Southern Air Lines, Inc. (incorporated in Delaware on Dec. 30, 1935) was merged.

On Aug. 1, 1972, Co. merged Northeast Airlines, Inc. through exchange of one-tenth of one Co.’s common share for each Northeast common share. Under terms of agreements with Northeast and Storer Broadcasting Company (majority stockholder of Northeast), Co. issued (a) 668,515 shares of its common stock for all of outstanding common stock of Northeast, and (b) warrants to Storer to purchase 500,000 shares of Co.’s common stock at $48.00 per share on or prior to May 1, 1978.

On July 27, 1976, Co. acquired Storer Leasing Inc. for cash, which was liquidated on July 30, 1976.


In 1982, Co. formed Datas, Inc.

On Dec. 18, 1986, Co. acquired Western Air Lines, Inc. in exchange for 8,265,290 shares of common stock and $383,706,000 in cash.

On Feb. 16, 1988, Co. merged with DatasLink, a wholly-owned subsidiary into Co.

In Mar. 1988, Co. acquired 20% of the voting securities of SkyWest Inc.

On Nov. 1, 1991, Co. completed its asset acquisitions under the Asset Purchase Agreement dated July 27, 1991, as amended (Asset Purchase Agreement), with Pan Am Corporation and certain of its subsidiaries (Pan Am), except for Pan Am's Detroit-London route authority, the acquisition of which remained subject to the approval of the U.S. Department of Transportation. The assets acquired on Nov. 1, 1991 include, among other things: (1) several route authorities between the U.S. and Frankfurt on the one hand, and Europe, Asia and Africa on the other; (2) certain take-off and landing authorizations and slots; (3) equity interests in three used A310-200 aircraft as well as certain aircraft spare engines and spare parts; and (4) leasehold interests in certain airport facilities. Co.'s purchase price under the Asset Purchase Agreement was $416,000,000, subject to certain adjustments. Co. paid $113,000,000 of this amount when it acquired the Pan Am Shuttle on Sept. 1, 1991, and paid the remainder of the purchase price on Nov. 1, 1991. On Apr. 15, 1992, the Department of Transportation granted final approval of the transfer of the Detroit-London route to Co. The action made final the Department of Transportation's Mar. 31, 1992 show-cause order tentatively approving transfer of the route to Co.

In Mar. 1999, Co. acquired ASA Holdings Inc. for a total purchase price of $700,000,000.

On Mar. 19, 1999, Co.'s tender offer to purchase all outstanding shares of common stock of ASA Holdings Inc. for $34.00 in cash expired. Co., through a wholly-owned subsidiary, accepted for purchase and purchased all ASA shares validly tendered and not withdrawn prior to the expiration of the offer. As a result, Co. now beneficially owns approx. 91% of the total number of outstanding shares of ASA common stock (including the 7,995,000 shares of ASA common stock beneficially owned by Co. prior to the beginning of the tender offer).

On May 11, 1999, Co. acquired ASA Holdings, Inc. ASA Holdings owns all of the outstanding shares of Atlantic Southeast Airlines, Inc., a Delta Connection carrier. As a result of the completion of the acquisition, ASA Holdings is now a wholly owned subsidiary of Co.

On Jan. 12, 2000, Co. acquired Comair Holdings Inc. for a total purchase price of $1,800,000,000.


On Sep. 7, 2005, Co. disposed of its interest in Atlantic Southeast Airlines, Inc., for a purchase price of
$425,000,000.

On Sept. 15, 2005, Co. and substantially all of its subsidiaries filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code.

On Sept. 16, 2005, Co. filed a motion seeking U.S. Bankruptcy Court approval pursuant to Sections 105, 361, 362, 363, and 364 of the Bankruptcy Code for interim and final financing orders (i) authorizing the Debtors to obtain post-petition financing and utilize cash collateral and (ii) granting adequate protection to pre-petition secured parties. Specifically, Co. seeks among other things to obtain post-petition financing in the amount of $1,700,000,000 (the General Electric Capital Corp. facility), by entering into that secured super-priority debtor-in-possession credit agreement. General Electric Capital will act as administrative agent and collateral agent. Co. also seeks to enter into a post-petition financing agreement in the amount of $350,000,000 with American Express Travel Related Services Company. Co. also announced that the U.S. Bankruptcy Court for the Southern District of New York has granted interim approval for the $2,050,000,000 in post-petition financing commitments Co. has received to help support its business during its Chapter 11 reorganization. The court has also continued its interim approval of a series of first day motions that will facilitate Co.’s continued normal business operations. Following a two-day hearing that ended Friday, Judge Prudence C. Beatty granted interim approval for more than 40 first day motions filed by Co. and its subsidiaries. Some of these motions had been previously addressed in a bridge order signed by the judge on the evening of Co.’s Chapter 11 filing on Sept. 14, 2005.

On Sept. 23, 2005, Co.’s retirement committee filed a motion seeking U.S. Bankruptcy Court approval to retain Farella Braun & Martel, Townsend and Townsend and Crew, and Foley & Lardner Contact: Msrs. Gloster, Chambers, and Wang, respectively) as counsel. Separately, the Court also approved Co.’s motion to retain Giuliani Capital Advisors as restructuring advisor.

On Sept. 28, 2005, Wachovia Bank and other parties filed objections with the U.S. Bankruptcy Court to Co.’s motion to reject certain aircraft, engine, and propeller leases between Wachovia and Delta Air. Separately, Northwestern Mutual, U.S. Bank National Association, and other parties filed objections with the Court to Co.’s motion to reject certain aircraft, engine, and propeller leases and subleases.

On Oct. 11, 2005, the U.S. Bankruptcy Court for the Southern District of New York, which is administering the Chapter 11 proceeding for Co., has authorized Co. to assume its obligations under the Delta Connection Agreements executed between Co. and SkyWest Airlines, Inc. and Atlantic Southeast Airlines, Inc., respectively, in connection with SkyWest’s acquisition of ASA from Co. on Sept. 7, 2005. The approval granted by Judge Prudence C. Beatty on Oct. 6, 2005, if not appealed, would satisfy the conditions for release of the full amount of the escrow funds deposited by SkyWest at closing of the ASA acquisition.

On Oct. 20, 2005, the U.S. Bankruptcy Court approved Co.’s motion to (i) reject certain aircraft, engine, and propeller leases pursuant to Section 365(a) of the Bankruptcy Code and (ii) satisfy the surrender and return provisions of Section 1110 of the Bankruptcy Code. Several parties had objected to the motion.

On Oct. 25, 2005, Co.’s official committee of unsecured creditors filed an objection with the U.S. Bankruptcy Court to 1) the Delta Pilots’ pension preservation organization’s emergency motion to appoint an official committee of retired pilots and 2) Co.’s retirement committee’s application for an order to appoint a retirement committee pursuant to 11 U.S.C. Section 1114(d).

On Nov. 9, 2005, Kenneth P. Silverman, on behalf of Jim Dean Johnson, Capt. (Retired) filed a motion seeking a U.S. Bankruptcy Court order authorizing the examination of Co. by an authorized officer with knowledge of certain business transactions with or affecting the Debtor concerning Co.’s pilots’ retiree benefits, and for the production of documents related to retired Co. pilots. Responses to the motion are due on Nov. 18, 2005, and presentment is scheduled for Nov. 21, 2005.

On Nov. 11, 2005, Co.’s official committee of unsecured creditors filed with the U.S. Bankruptcy Court a response in support of Co.’s motion to reject the ALPA Collective Bargaining Agreement. The Air Line Pilots Association International and DP3 filed separate objections to Co.’s motion. The Court is scheduled to consider the motion on Nov. 16, 2005.

On Nov. 30, 2005, the U.S. Bankruptcy Court issued an order approving Co.’s motion to sell certain aircraft, including Boeing 737 and 767 and Embraer 120 models. The Court also approved Co.’s motion to reject the lease at its Atlanta, GA. office.

On Dec. 12, 2005, Co. announced late Sunday night Co. has reached a tentative interim agreement with the Air Line Pilots Association, its pilots’ union. The agreement provides for, among other things, a 14% hourly wage reduction plus supplemental reductions equal to an additional 1% cut. The Court will consider approving the tentative agreement on Dec. 13, 2005, and the union is scheduled to vote on the interim agreement on Dec. 28, 2005.

On Dec. 13, 2005, Co. filed an objection with the U.S. Bankruptcy Court to the motion of DP3, Inc. (the Delta
Pilots' Pension Preservation Organization) seeking a Court order directing the 2004 Examination of Co. and
certain officers. Among other things, Co.'s objection asserts, in view of the Debtors expressed willingness to
engage in an informal-and efficient-informational process, the Movants' flat refusal to participate in such a
process, their demonstrated preference to file a barrage of overlapping and overly broad formal discovery
motions and notices, and their insistence on pursuing unnecessary discovery under both Rule 2004 and the
Federal Rules of Civil Procedure simultaneously (and improperly), the instant motion appears to have been
brought solely for purposes of abuse or harassment. The Court will consider the DP3 2004 Examination motion

On Dec. 23, 2005, Co. filed a motion seeking U.S. Bankruptcy Court approval of a 6-month extension of the
exclusive period during which Co. can file a plan of reorganization and solicit acceptances thereof until July
11, 2006 and Sept. 9, 2006, respectively. Co. also announced that the U.S. Department of Transportation
rejected applications filed by Northwest Airlines and Co. seeking an antitrust exemption sought to allow the
competing carriers to work cooperatively on route planning, sales and marketing and price-establishment for
international flights.

On Jan. 24, 2006, Co. filed a motion seeking U.S. Bankruptcy Court approval of a severance plan for certain
critical employees and a retention plan for certain critical employees who are either senior vice presidents, vice
presidents, directors and principals of Delta Technology, LLC. The maximum total amount of awards to be paid
under the retention plan will not exceed $11,270,000, and the amount of cash payable under the entire
severance plan will not exceed $2,270,000. The Court scheduled a Feb. 6, 2006 hearing to consider the
motion.

On Feb. 10, 2006, the U.S. Bankruptcy Court entered separate orders approving Co.'s motions for a stipulation
regarding a Section 1110(b) extension with respect to General Electric-related financings and a second
supplement to the stipulation providing for a Section 1110(b) extension with respect to aircraft agreements
relating to 108 CRJ-100/200&700 aircraft.

On Feb. 23, 2006, Co. announced that the U. S. Bankruptcy Court has granted approval to reinstate a
severance program. The release states that the severance program is for Co.'s officers and directors, the only
employees who have not had severance or furlough protection since the September 2005 Chapter 11 filing.
The release further states that Chief Executive Officer, Jerry Grinstein, and Chief Operating Officer, Jim
Whitehurst, both among the lowest-compensated executives in similar-sized U.S. companies, have elected not
to participate in the program. Judge Adiai S. Hardin granted the requested approval over the objection of the
Air Line Pilots Association, the only party that objected to the program.

On Mar. 21, 2006, Co. filed a motion seeking U.S. Bankruptcy Court approval to cancel the Series C
Guaranteed Serial ESOP Notes, issued by the Delta Family-Care Savings Plan and held by Delta. The
documents note that the Plan is a qualified plan that permits pre-tax employee contributions under Section
401(k) of the Internal Revenue Code. The Plan covers more than 50,000 participants and is a key source of
retirement savings for a majority of Delta employees. Further, on July 14, 1989, the Plan issued $500,000,000
of ESOP Notes, guaranteed by Co., to certain banks. The proceeds were invested by the Plan in $500,000,000
of Co. Series B ESOP Convertible Preferred Stock that were held by a component of the Plan structured as a
leveraged employee stock ownership plan. In connection with the termination in Sept. 2002 of a letter of credit
facility benefitting the holders of the ESOP Notes, Co. began to acquire the notes from the banks, fully acquiring

On Mar. 27, 2006, an order was filed in the U. S. Bankruptcy Court for Co.'s case approving the motion to
extend its deadline to file their schedules of assets and liabilities, schedules of income and expenditures,
schedules of executory contracts and unexpired leases and statements of financial affairs. The motion that the
Court approved extends the date to file the Schedules through and including May 31, 2006.

On Mar. 28, 2006, Co. announced that it has received approval from the lenders of its $1,900,000,000 debtor-in-
possession credit facility to amend certain aspects of that facility. The amendments among other things, will
reduce Co.'s interest rate on the three term loans making up this facility, resulting in annual savings of more
than $30,000,000 and will result in a reduction in the interest rate in Co.'s post-petition financing from American
Express Travel Related Services Company, Incorporated.

On Apr. 4, 2006, an order was filed in Co.'s case approving the rejection of its 93,000,000 outstanding
restricted stock nonqualified stock options, stock appreciation rights, deferred common stock with values keyed
to that of Co.'s common stock issued to employees and directors. The Court issued a separate order
authorizing Co. to cancel its Series C Guaranteed Serial ESOP Notes, issued by the Delta Family-Care
Savings Plan and held by Co.

On Apr. 18, 2006, in documents filed with the U. S Bankruptcy Court for Co.'s case, the U.S. Trustee for Region
2 filed a motion seeking the appointment of an examiner, under Section 1104(c)(2) of the Bankruptcy Code.
The documents state that the examiner would investigate the utilization of professional services in this case
and would render to the Court periodic reports of his or her findings and recommendations. Thus far in the
case, the Court has approved the retention of 22 professionals, other than professionals retained as ordinary course of business professionals. Further, the documents state that in the first interim applications, the professionals seek approx. $43,000,000 in fees and expenses for services rendered through Jan. 2006.

On May 1, 2006, Co. filed a motion with the U.S. Bankruptcy Court seeking Court authority to reject a number of leases and agreements related to certain facilities that were financed by 1992 special facility bonds at the Cincinnati/Northern Kentucky International Airport.

On Oct. 2, 2006, Co. sold to U.S. Airways Group, Inc. for $10,182,100,000 in cash and stock.

On Dec. 20, 2006, The Official Creditors' Committee (Committee) appointed in the Delta Air Lines Chapter 11 cases announced that it supported Delta's decision to file its proposed Plan of Reorganization and accompanying disclosure Statement yesterday with the U.S. Bankruptcy Court for the Southern District of New York. A number of issues, including those left open in the Plan of Reorganization, will be the focus of continuing discussions between the Committee and Delta over the coming weeks. At the same time, the Committee will continue to consider potential alternatives in order to maximize the ultimate recoveries for the unsecured creditors in the Delta bankruptcy.

On Apr. 30, 2007, Co. emerged from Chapter 11 Bankruptcy.

On Oct. 29, 2008, Co.'s subsidiary, Nautilus Merger Corporation, merged with and into Northwest Airlines Corporation (Northwest). Each outstanding share of Northwest common stock was converted into and became exchangeable for 1.25 shares of Co.'s common stock and cash in lieu of any fractional shares. Co. issued approx. 339,000,000 shares of Co.'s common stock either to former holders of Northwest common stock or to be held for issuance pursuant to Northwest's plan of reorganization under Chapter 11. Based on the price of $7.99 per share of Co.'s common stock, the aggregate value of the consideration paid was approx. $2,700,000,000. Northwest and Northwest Airlines, Inc. became wholly-owned subsidiaries of Co.

In 2009, Co. implemented a joint venture with Air France-KLM.

On Jan. 12, 2009, Co. signed its $50,000,000, long-term JT8D-219 engine parts agreement with United Technologies Corp.'s division, Pratt & Whitney. Under the agreement, Pratt & Whitney will be the exclusive supplier of most JT8D-219 material including compressor and turbine blades and vanes for Co.

On Dec. 31, 2009, Co.'s subsidiary, Northwest Airlines, Inc. (NWA) merged with and into Co., ending NWA's existence as a separate entity.

On July 1, 2010, Co. sold Mesaba Aviation, Inc. to Pinnacle Airlines Corp. for $62,000,000.

On July 1, 2010, Co. sold Compass Airlines, Inc. to Trans States Holdings, Inc. for $20,500,000.

In Dec. 2012, Co.'s subsidiary, Comair, Inc. was merged into Co.

On May 1, 2013, Co. acquired Endeavor Air, Inc. (Endeavor), as a part of its confirmed plan of reorganization. Consideration for Co.'s acquisition of Endeavor totaled $30,000,000, primarily consisting of previous loans and advances it made to Endeavor. The primary assets acquired and liabilities assumed related to 16 CRJ-900 aircraft with a fair value of $270,000,000 and related debt of $240,000,000 on the date of acquisition.