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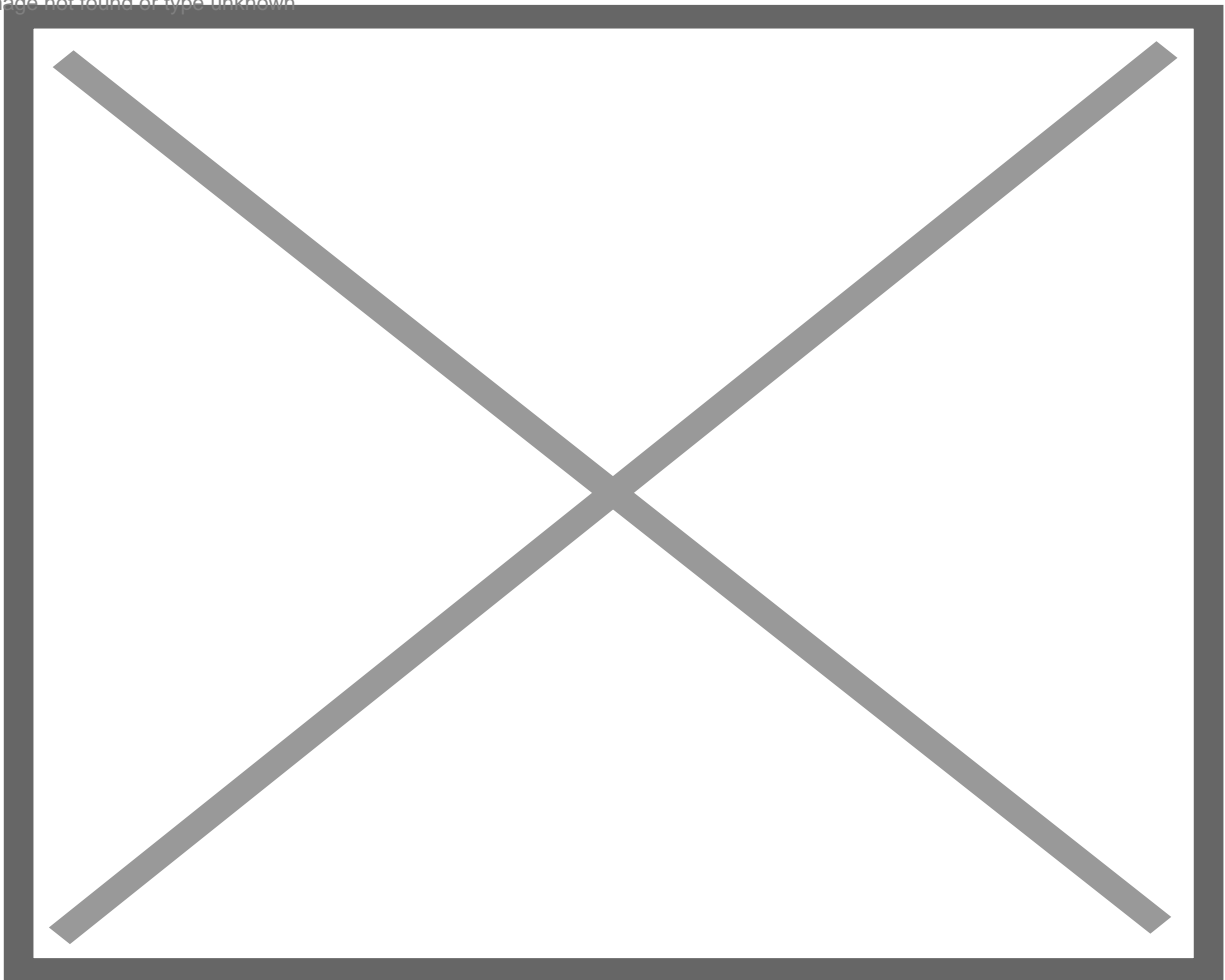
Silver Airways Shuts Down

The sudden shutdown of the regional carrier leaves the U.S. Virgin Islands and other Caribbean destinations facing disruptions in air service, as the airline's bankruptcy-driven sale halts all flights and strands travelers across the region.

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Silver Airways aircraft at the Henry E. Rohlsen Airport on St. Croix. By. ERNICE GILBERT, V.I. CONSORTIUM.

Silver Airways has permanently ceased operations as of Wednesday, June 11, ending its role as a vital transportation link for several Caribbean destinations, along with several routes in Florida. The abrupt closure follows a failed effort to restructure under Chapter 11 bankruptcy and a subsequent bargain-basement asset sale to Argentum LLC, an affiliate of Wexford Capital.

The announcement came via a short, unassuming notice buried on Silver’s website beneath the flight booking section. “We regret to inform you that we are ceasing operations as of today, June 11, 2025,” the statement read. “In an attempt to restructure in bankruptcy, Silver entered into a transaction to sell its assets to another airline holding company, who unfortunately has determined to not continue Silver’s flight operations in Florida, the Bahamas and the Caribbean. Please do not go to the airport.”

As for what stranded Silver passengers are expected to do now, the terse notice on the website instructs that “all credit card purchases should be refundable through your credit card company or your travel agency.” No further guidance was provided for rebooking, compensation for disruptions, or alternate travel arrangements.

The decision comes before court approval of the sale to Argentum, with a bankruptcy hearing continued to Wednesday morning amid heavy opposition from creditors and unions. On Tuesday, the Association of Flight Attendants and two Teamsters divisions filed objections, stating that Silver had failed to comply with key obligations under labor agreements and federal law. The unions also alleged that documents related to the sale did not acknowledge the binding nature of existing collective bargaining agreements—raising questions as to whether honoring those agreements contributed to the buyer’s decision to halt operations altogether.

The collapse of Silver Airways comes as a severe blow to regional travel and local economies, particularly in the U.S. Virgin Islands and other Caribbean destinations that relied heavily on the airline for affordable and frequent connections. Destinations previously served by Silver included St. Thomas, St. Croix, San Juan, Dominica, St. Kitts, Tortola, St. Maarten, and several locations throughout the Bahamas such as Nassau, Freeport, and Marsh Harbour. Silver had also maintained hubs in Tampa and Fort Lauderdale, with U.S. routes to cities like Key West, Pensacola, and Tallahassee.

Its closure is expected to have an outsized impact on Caribbean destinations that depended on Silver to accessible travel.

Silver Airways had [filed for bankruptcy](#) in late 2024 under mounting financial strain. As of April 30, 2025, the company carried a staggering \$376.5 million in debt—\$37.8 million of which had been accumulated in just the first four months of the year. In a declaration to the court, CEO Steve Rossum revealed that Silver had reached out to more than 75 potential acquirers and financial entities. While “eight or more” parties expressed written interest, none submitted qualified bids, and no auction was held.

That left Argentum LLC’s \$5.775 million “stalking horse” offer—comprising a \$5.5 million credit bid and assumption of certain liabilities—as the only option. The proposed sale also includes the assets of Seaborne Airlines, Silver’s Puerto Rico-based sister carrier, should no other bids emerge before closing.

Despite this last-ditch asset sale, Judge Russin, who is overseeing the bankruptcy case, expressed concern at a May 7 hearing about the disparity between Silver’s debts and the sale price. “A \$5.8 million bid for a company with such massive debts could leave multiple creditors hanging,” the judge remarked. But under Chapter 11 procedures, courts often prioritize preserving a company’s operational value while shedding its obligations.

Silver's downfall had been hastened by operational turbulence in recent months. In March, passengers were stranded amid widespread flight cancellations. Over Memorial Day weekend, safety-related maintenance issues grounded more flights, reportedly costing the airline another \$1 million. By June, Silver's fleet had dwindled to just eight turboprop aircraft—half the size it was only a few months earlier.

The airline's press release warned that its financial situation had left it unable to continue, citing a \$2.5 million monthly revenue loss that would result from the shutdown.

The economic fallout is already being felt. The U.S. Virgin Islands stands to lose significantly from the collapse. Without Silver, the number of flights into and out of St. Croix and St. Thomas is expected to shrink. However, door is now open for other regional carriers to step in.

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