

December 29, 2009

Friends:

Leading Edge Aviation Solutions, LLC offers a fully integrated suite of aviation services covering every aspect of aircraft ownership. Our practice, services, staff, and most importantly, our clients are therefore uniquely affected by every move the business aviation industry makes. With more than forty years in the aviation profession, I have personally seen my share of the industry's ups and downs. The past year, however, has certainly topped all of those before it and I think most would agree, it is therefore fitting to take just a moment to reflect on both what has happened and what lies ahead for corporate aviation.

While the world was confronting its worst financial crisis in nearly a century, 2009 began with many cautiously optimistic predictions that things looked positive for the business aviation market. Looking back, it seems that many of those predictions were in a sense accurate, at least on a comparative scale. Granted, new aircraft orders slowed dramatically and a notable number of existing orders were cancelled, pre-owned aircraft prices fell while inventories grew and lines of credit dried up, attendance at the industry's largest trade shows sank and the act of owning or operating an aircraft was publicly attacked by government officials. But, looking around, some solace can be found in the realization that it could have been much worse, and that, by most indications, it can now only get better.

The truth is, that, while the recession has rattled many industries and decimated numerous business models, the corporate aircraft sector fared relatively well. This industry successfully weathered an economic storm, countered vicious smear tactics, and watched the caliber of trade show attendees soar. Meanwhile, the OEM's continued to make deliveries from order backlogs and expect to do so until the middle of next year when deliveries on preexisting orders will start to slow just as new orders begin to gain some momentum. Granted, at this junction, manufacturers may expect to experience a brief period of the doldrums, but such a bottoming-out can only mean good things for other industry sectors such as the pre-owned, fractional and charter markets.

As evidenced by our conversations with many of you at this year's NBAA convention in Orlando Florida, the industry remains positively charged and is fueled by a significant level of energy and enthusiasm. Far from abandoning corporate aircraft travel, many are calculating the best time to enter the market or expand/upgrade an existing fleet. In the near future, at the intersection where this energy achieves sustainable momentum and OEM's must gear up to deliver, a glut of immediate need will likely exist that can only be satiated via recourse to the pre-owned and fractional markets. Coinciding with this increased demand, we will of course see a gradual rebound in prices. That is why we expect to see a steady increase in pre-owned market activity as those who are planning to enter the market begin looking now for an attractively priced acquisition, and prudent active market participants begin positioning their aircraft for sale.

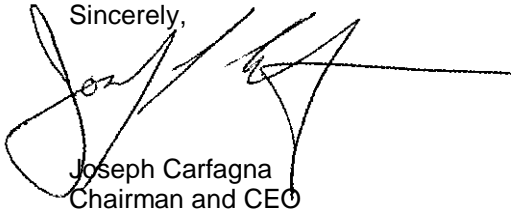
While no business has been immune to the economic downturn, at Leading Edge we have been fortunate enough to conduct a respectable level of business for our clients throughout the crisis; moreover, we devoted a large part of 2009 preparing for the looming recovery. Our inventory has maintained an attractive level and boasts stellar acquisition opportunities across a broad spectrum of makes and models. We have maintained impressive lines of credit while strengthening ties with lenders, attorneys and other aviation transaction professionals to provide buyers with the many options necessary to effect timely and efficient acquisitions. In addition, we have increased our staff of technical and sales professionals and have opened a London office to maximize the international reach of our selling clients.

As 2009 fades into history, 2010 promises a year of new beginnings and opportunities. The New Year, indeed, the new decade, should be a return to the proving grounds that greeted the adventurous aviation

and business pioneers who first launched this entity that is corporate aviation. Those who are properly positioned, with internal and external teams in place; those who move decisively with conviction and a belief in the future; will likely be thankful that they did; and one day may well be hailed among the industry's newest visionaries. Admittedly, uncertainty and risks abound, but for those of us ready to write the industry's next chapter, the promises of the next decade are arguably some of the greatest that corporate aviation has ever seen.

Whatever your views on the industry's recovery; whatever your plans and timing for reentering the market, or for acquiring or selling an aircraft; I invite you to tap our organization's experience and insight to make your next venture a success. And, on behalf of everyone at Leading Edge Aviation Solutions, LLC, I wish you a happy, healthy and prosperous New Year.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joseph Carfagna', with a long horizontal line extending to the right.

Joseph Carfagna
Chairman and CEO