



**U.S. Department of
Transportation**
Office of the Secretary
of Transportation

Assistant Secretary

400 Seventh St., S.W.
Washington, D.C. 20590

March 12, 2007

Mr. William A. Kutzke
General Counsel
MAXjet Airways, Inc.
44965 Aviation Drive, Suite 260
Dulles, Virginia 20166

Dear Mr. Kutzke:

Thank you for the information you submitted to the U.S. Department of Transportation (the Department) regarding an anticipated substantial change in the ownership of MAXjet Airways, Inc. (MAXjet). Specifically, you advised the Department that MAXjet intends to conduct an initial public offering (IPO). This letter conveys the Department's conclusions regarding the citizenship of MAXjet after the proposed transaction, a copy of which will be posted on the Department's website to facilitate greater transparency as to our internal review processes.

In your submission to the Department, you assert that non-U.S. citizens will not own and/or control more than 24.99 percent of the voting interest in the air carrier, and you provided detailed information about how MAXjet intends to ensure compliance with statutory limitations on foreign investment in U.S. air carriers.

First, you state that in the event that non-U.S. citizens own and/or control more than 24.99 percent of the voting interest in the company at any time, MAXjet will automatically suspend the voting rights of the interest in excess of 24.99 percent. In addition, to monitor foreign investment in the airline, MAXjet will require each holder of its voting stock to provide specific information that will enable the company to determine whether non-U.S. citizens hold the voting interest. Further, MAXjet intends to maintain a separate register for non-U.S. citizen voting interests, whether held by individuals, partnerships or corporations.¹

¹ If such information is not available or forthcoming or is unsatisfactory, the company directors will have the authority to presume that non-U.S. citizens own and/or control the stock in question.

Second, you indicate that MAXjet will closely monitor the voting interest held by non-U.S. citizens from countries with which the United States does not have an open-skies bilateral air transport agreement to ensure that such equity interests do not exceed 24.99 percent.² Should this class of investors reach the 24.99 percent voting interest threshold, the register will notify the appropriate stakeholders indicating that, in addition to not being able to exercise their voting rights, the targeted investors will have 90 days to sell their voting interest to U.S. citizens. If, after the 90-day period, an identified stakeholder has not sold its interest that exceeds the 24.99 percent threshold, the company will sell the equity interest for the investor.

Moreover, you indicate that a similar provision (*i.e.*, mandatory 90-day sale) will be included for non-U.S. citizens of countries with which the U.S. does have an open-skies agreement, applicable in cases where the aggregate amount of equity held by all non-U.S. citizens exceeds 49 percent of the air carrier's total equity interest.

As a final matter, you note that a U.S. citizen trustee, appointed by MAXjet, will manage a voting trust, created to exercise the voting interest of any non-U.S. open-skies stakeholders whose rights by the operation of the bylaws are suspended. The purpose of this voting trust is to ensure compliance with state laws that require companies to afford certain voting rights to their shareholders, including those holding non-voting stock. You indicate that the trustee will only have the authority to vote the interest in the same proportion as the votes cast by the voting stakeholders, thus preventing that stock from having any impact on the outcome of the vote. In addition, you state that the directors will have the authority, if necessary, to reduce the voting power of interests held by non-U.S. citizens to assure compliance with the 24.99 percent voting interest threshold.

Based on the information provided, we conclude that MAXjet will remain a citizen of the United States as required by Title 49 of the U.S. Code and that the company continues to be fit to conduct its operations as a certificated air carrier. As always in such cases, our determination reflects, and is predicated on the accuracy of, all the information that you have provided. Moreover, this finding depends on our satisfactory review of all final documents, including governance documents for all involved parties, which you must submit to us upon signature.

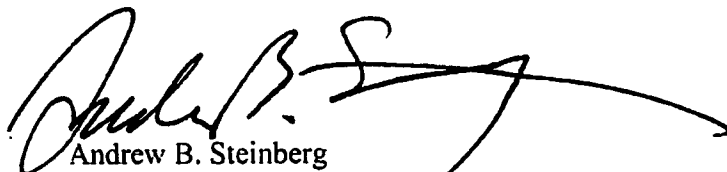
We remind MAXjet that it continues to remain subject to the provisions of section 204.5 of the Department's rules, which requires the company to advise us of any substantial changes in fitness. These changes include, but are not limited to, any alteration to the ownership structure discussed above, any change in key management and technical personnel, or any other circumstances affecting foreign involvement in the structure or capitalization of MAXjet, including new governance provisions (such as supermajority voting rights) or changes to state law requiring that a foreign investor have

² In cases where a non-U.S. citizen investor is from a country with which the United States has an open-skies bilateral air transport agreement, it has been the Department's policy to allow such investor to hold a non-voting equity interest beyond the 25 percent voting interest, up to 49 percent of the total equity. Investors from non-open-skies countries may not hold an equity interest, voting or non-voting, greater than 25 percent.

voting rights, etc. Such changes may result in a different outcome of the Department's fitness determination with respect to MAXjet's citizenship.

We appreciate your cooperation in this matter, and wish you well in your future operations. If you have any questions concerning this matter, please contact Bill Bertram of my staff at (202) 366-9721.

Sincerely,



Andrew B. Steinberg
Assistant Secretary
for Aviation and International Affairs

cc: Mr. William D. Stockbridge
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