

The AirShares™ Ownership Program



At a Glance

Minneapolis, MN

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Aircraft

Cirrus SR22: All aircraft in the AirShares Elite program are fully equipped Cirrus SR22s – the winner of numerous *Product of the Year* awards and the industry's best selling model. The sleek composite construction and the powerful 310 hp engine combine for a 185 kt cruise and 1400 fpm climb.

Avionics: Avionics include dual Garmin 430s, a state of the art "glass cockpit" Primary Flight Display, and a second 10-inch display which incorporates navigation, engine monitoring, XM-Weather downloads, traffic alerting, checklists, C-Max approach plates and moving map. The S-TEC 55X autopilot provides NAV and GPS tracking, altitude and rate of climb control, approach capability, and glideslope coupling.

Safety: The TKS weeping-wing ice protection system and the Cirrus Aircraft Parachute System (CAPS) provide backup protection unequalled in other general aviation aircraft.



Fleet



Concept: The AirShares Elite program provides each Owner with access to a fleet of identical aircraft based in their local area - thus reducing scheduling conflicts when planes are being flown by other Owners or in maintenance.

Availability: AirShares targets to provide availability approaching or exceeding that of a singleowner aircraft. To meet our objective, we target a limit of hours sold on a plane to 225-300 hrs / year for a single-aircraft fleet, 450 hrs / aircraft / year for a three-aircraft fleet, and 600 hrs / aircraft / year for a fleet of 5 or more planes.

Minneapolis: Aircraft are currently servicing Anoka, Down Town St. Paul and Flying Cloud airports.

Nationwide: In addition to flying SR22s in their local area, AirShares Owners can fly SR22s at other AirShares locations - including Atlanta, Birmingham, Boston, Chicago, Columbus, Detroit, Ft Lauderdale, Ft Myers-Naples, Los Angeles, New York, Philadelphia, Providence, Raleigh-Durham, and Tampa. Additional locations are being developed.

Ownership

Options: To allow Owners maximum security and to meet their personal financial goals:

FAA Registration: Owners become FAA-registered owners of one particular plane, just as they would in a conventional multiple owner aircraft. Ownership can either be personal or through a corporation or partnership.

Lease: Other Owners prefer a less-direct form of ownership under which the Owner Leases and has the "right to use" an AirShares aircraft for a fixed number of hours per year.

Security: To protect each Owner's investment, neither AirShares Elite nor any of our Owners are permitted to use the aircraft as security for a loan or mortgage.

Pilot Requirements

Ratings / Hours: Owners are required to have an instrument rating to act as PIC. Inst. training in your Share is allowed.

Recurrent Training: AirShares Owners have an excellent safety record and AirShares Elite requires ongoing recurrent training - the frequency of which depends on individual Owner experience and proficiency.

Insurance

Aircraft: AirShares Elite insures each aircraft for its full replacement value.

Liability: AirShares carries \$1,000,000 liability coverage, with each AirShares Owner as a named insured. The AirShares policy does not have a per-passenger coverage sub-limit - unlike most policies available for single or multiple owner aircraft which limit coverage to \$100,000 per passenger.

Just Fly

Scheduling

Booking: AirShares Owners can book a flight anywhere in the nationwide AirShares fleet through our 24 hour a day / 7day a week Owner Services Department. Flights can be booked in advance based on ownership level.

Hours / Year: The number of hours each Owner may fly is determined by their ownership level (1/12 share = 50 hrs/year; 1/8 share = 75 hrs/year). In addition, Owners can postpone use of up to 25% of their annual entitlement to the subsequent year.

Overnights: There is no minimum daily utilization of the aircraft while on a flight away from home base. However, each Owner is entitled, but not limited, to a number of overnights determined by ownership level (1/12 = 14 overnights / year; 1/8 = 21 overnights).

Maintenance



Cost: The Monthly Management fee includes the cost of scheduled and unscheduled maintenance everything from the periodic oil change to the complete replacement of an engine. AirShares takes the hassle and unpleasant financial surprises out of aircraft ownership.

Standards: In addition to required annual inspections, AirShares also performs 50 and 100 hour inspections on all aircraft - even though these are not required for FAR Part 91 operation.

Execution: As the largest operator of Cirrus aircraft, AirShares corporate-based maintenance organization has extensive experience with the SR22 and schedules and monitors the maintenance of all AirShares planes nationwide.

Payments / Fees

AirShares offers a number of financing options designed to meet Owners financial goals. Our staff will work with each Owner individually to select the plan best suited to his or her needs. An Owner may purchase a share in 25 hour increments beginning with 50hours per year; details are shown below:

Item	Equity	Equity	Equity
Annual hours	50	75	100
Share cost	\$42,000	\$58,500	\$75,000
Monthly Management Fee	\$616	\$925	\$1233
Hourly Usage Fee ⁽¹⁾	\$110	\$110	\$110
Equity Return on Sale	1/12th of proceeds less 7% marketing fees	1/8th of proceeds less 7% marketing fees	1/6th of proceeds less 7% marketing fees

⁽¹⁾ \$95/hr based on average fuel prices of \$4.00 / gal. Indexed quarterly to AirShares average fuel purchase price

Contract Term

Duration: The current term of an AirShares agreement is up to 4 years.

End of Contract Options: At the end of the standard contract term, AirShares will offer Owners 3 options:

1. **Sell;** sell the aircraft and distribute the proceeds among the Owners.
2. **Keep;** refurbish and keep the aircraft, update the avionics and return the aircraft to service. Equity Owners pay the actual cost of the work plus a \$1,500 management fee.
3. **Upgrade;** move up to a new plane. With our Customer Loyalty Program, Equity Owners pay the difference between trade-in value of the original aircraft and the cost of the new aircraft plus a \$1,500 management fee.