

SURFAIR

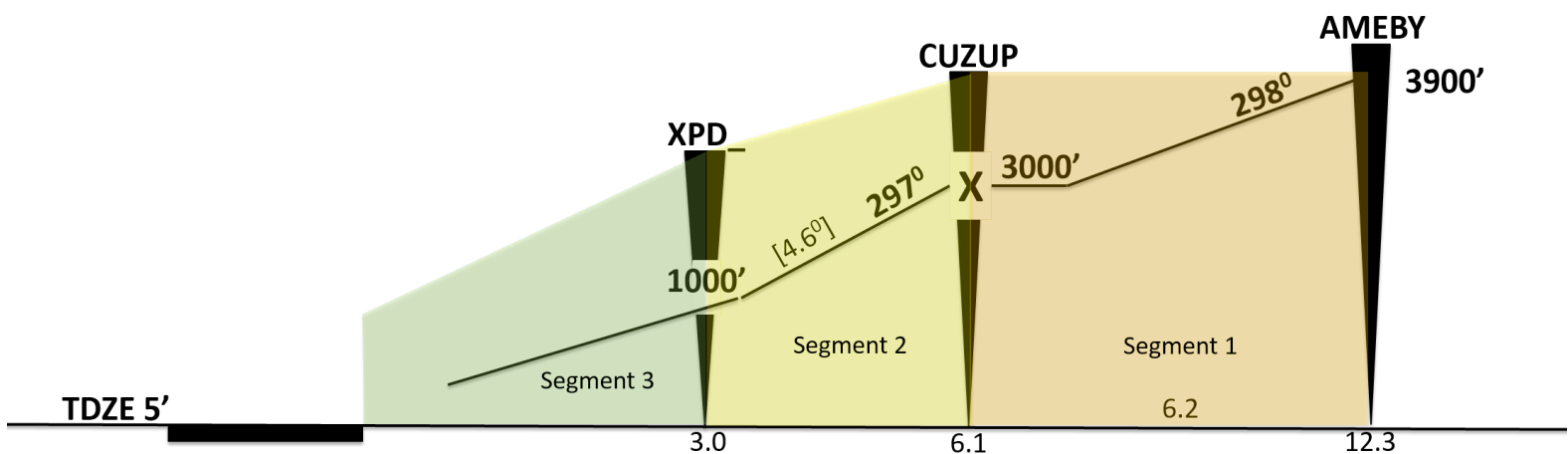
December 15, 2015

Dear Community Members,

Surf Air was founded in 2013 with the goal of making hassle-free private air travel accessible to regional business and leisure travelers in California. Since then, demand for our service has grown substantially, and we have accordingly expanded our operations to meet the needs of loyal Surf Air Members who have come to rely on our company for family, medical, and business travel. We are deeply sympathetic to those members of the community who have been impacted by our work and we understand your frustration. As the CEO of this company, let me assure you that we are doing everything in our power to limit our noise footprint and be a conscientious neighbor to this great community.

Our commitment to working with the community and mitigating our business impact remains steadfast. Since our founding, we have been active participants in this working group, continually engaging community leaders and elected officials to explore collaborative solutions that benefit all involved. In the middle of last year, during a working group session, we collectively identified **four** key initiatives to help address noise issues. While we have run into challenges along the way, particularly while attempting to offer and receive FAA authority in some areas, we have taken a number of actions in the areas we've discussed previously in hopes of curbing some of the noise impact.

- **Lateral Approach:** After several discussions and a visit to the FAA facility in Sacramento, we remain frustrated by the lack of FAA flexibility in our efforts to pursue varying approaches into San Carlos Airport that would benefit noise concerns.
- **Vertical Approach:** We have conducted a number of studies in coordination with public and private agencies to determine the most optimal landing approach that balances noise mitigation with safety requirements. After discussing at numerous meetings, we were ultimately successful at lobbying for and working in collaboration with the FAA to increase our altitude over specific communities on approach by another 1,000 feet en route to San Carlos Airport. This increase in altitude occurs over CUZUP (see diagram below), which is six miles from the airport and allows our aircraft to cross at 3,000 feet (as opposed to a previous 2,000 feet).



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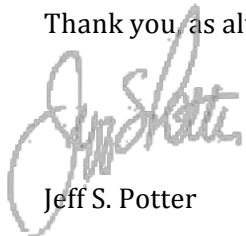
- **Fleet Upgrades:** As we have also discussed previously, on November 16, Pilatus, the manufacturer of our PC-12NG fleet, officially announced that beginning in 2016, they'd produce the aircraft with a 5-blade propeller. The noise benefit is expected to reduce exterior noise by approximately 2.6 decibels. This, in combination with the new approach technique, will bring noticeable benefits. We will begin accepting this aircraft enhancement with our January 29th delivery next year and will continue to have this new, quieter propeller on all future deliveries.
- **Bay Area Markets:** As we've also discussed previously, Surf Air has expanded outside of San Carlos as it continues to grow its Bay Area presence. We now serve Oakland with 12 daily departures and expect to increase the frequency of our Bay Area service from this location as well as an additional location beginning in the March timeframe of 2016.
- **Hours of Operation:** In addition to the aforementioned four focus areas, out of consideration for the health and wellness of community members, Surf Air will be self-imposing limits on our hours of operation from 7:00 AM to 9:30 PM, effective January 1, 2016.

Surf Air is proud to be a part of the diverse and vibrant Peninsula community. We believe that being a good neighbor means going above and beyond simply limiting our noise footprint. It also means investing in the local areas and making a positive impact toward the vitality of our neighborhoods. To this end, we have initiated conversations with County staff about how Surf Air can be an ongoing part of future community initiatives.

As we continue to develop our relationship with the community, we hope we can all embrace the sentiment that the best solutions are reached by working collaboratively. I have committed that in the future Surf Air will do a better job of communicating our plans and engaging the community. We hope that the actions we have taken so far signal our full and sincere intention to do our part in mitigating our impact while still allowing our small business to grow and flourish.

Please do not hesitate to reach out with questions or concerns; we want to hear from you. We hope you have a wonderful holiday season.

Thank you, as always.



Jeff S. Potter