



timematters

The newsletter for DayJetters



Fourth Quarter 2007

Special Launch Edition

A New Paradigm in Regional Transportation

Much like the market for overnight package delivery before Federal Express, the market for regional air travel has been a long waiting one; laden with unmet needs because the technology solutions simply didn't exist.

Regional business travelers comprise, arguably, the most underserved market in the world. Few markets in history may have ever been as ripe for the kind of revolutionary paradigm shifts that innovation breeds as today's market for regional transportation.

With today's saturated hub and spoke air transit system and record flight delays, it's not surprising that 80 percent of all business trips up to 500 miles take place in cars instead of aircraft. The real surprise, however, is that regional travel by car turns out to be nearly as fast as regional travel through scheduled airlines.

Travel Efficiency: Auto vs. Air

In 1995, NASA Chief Strategist Bruce Holmes noticed that it was taking him longer and longer to get where he wanted to go. "As a trained engineer," says Holmes, now DayJet's chief strategist of NextGen Systems, "my first instinct was to quantify and measure my air travel. I would log my travel from the moment I stepped out the door to my arrival at my final destination." When the trip was over, Holmes would calculate the total distance he traveled and compare it with the total time spent en route; the result was his effective travel speed.

"For trips of 2,000 miles, I would average 230 mph. Regional travel, generally within 600 miles,



Eclipse Aviation President and CEO Vern Raburn addresses the crowd at DayJet's official launch event in Tallahassee, Florida.

only yielded an average of 85 mph." In other words, the time it took Holmes to arrive on a Boeing 737 was roughly the same as traveling in a Chevy for regional travel.

Holmes merely confirmed what many regional business travelers have long experienced. With total travel time roughly equivalent, driving puts more control and flexibility in the hands of business professionals who need to react quickly to new opportunities. "If you're going to have to stay in a hotel overnight either way," the reasoning goes, "why not drive?"

Time Machine Travel

Meanwhile, Ed and Nancy Iacobucci were also feeling the impact of air travel. During Ed's tenure as Chairman of Citrix Systems, a pioneer in the server-based computing market, the couple was living life on the road, including frequent overnight stays.

To meet their professional and personal commitments, they purchased a Learjet and it turned out to be a life-altering experience. Ed and Nancy were able to realize the extraordinary benefits of

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Dear Friends,

Welcome to a new jet age – one that will create more time in your life for what really counts. One where you count as a business traveler, and so does your time. Where you focus more on getting things done, and less on getting there. Where efficient, affordable regional jet travel is available to everyone, changing the way you work and improving the way you do business.

DayJet's inaugural service represents the completion of one journey and the start of another. Over the past five years, our team pioneered advanced logistical and aviation technologies to transform the usual power structure of mass transportation. DayJet's per-seat, on-demand jet service introduces a new level of individual choice and freedom to regional business travel: You tell us where and when you want to travel, and how much you're willing to pay.

Our "customer adaptive" business model is unlike any the industry has ever seen, with the same number of planes able to serve ten cities, 20 cities or 50 cities – it all depends upon you. We don't have a static, city-by-city expansion plan collecting dust in our desk drawer.

Rather, we have built a set of adaptive, real-time systems that generate plans – plans that change as your needs change. We customize our service, and our service network, to your needs. We don't set up a single flight until you tell us to; and when you do, our system deploys aircraft to exactly where and when you need to travel. DayJet's service is dynamic, flexible, and open to expansion. Just like the business world.

From now on, more businesses will connect with clients more easily, and more colleagues will swiftly achieve objectives only possible through face-to-face connections. In other words, more business people will relate to each other as people.

At DayJet we're passionate about making connections – connections between cities that have never before been linked directly, between people who can now do business personally, no longer needing to rely on impersonal substitutes like teleconferencing or email.

Connections make DayJet unique. Just as our launch is enabled by connecting new operating and flight technologies; regional travelers will now have a more efficient way to connect their business and personal lives; companies will have easier connections with their markets; and economic opportunities will arise for smaller cities connecting to the nation's air transportation network for the first time.

To make these connections happen, we are building a company with a unique commitment to individual preferences in order to foster one other important connection - our personal connection with you, our customers. After all, our success and our business are driven by the positive experiences of our customers. As a customer, you are really the one piloting this plane.

Welcome aboard DayJet! Thank you for joining us in this mission to change the way we live and travel.

Sincerely,

Ed & Nancy Iacobucci

Co-Founders, DayJet

DayJet Expands Per-Seat, On-Demand Network

How do you make a good thing even better? Make it BIGGER! At DayJet, we believe it's expanding your ability to fly our revolutionary per-seat, on-demand jet service to more of the places you need to go.

We know that you need to reach new business opportunities quickly and efficiently. To help you expand your business horizons, we'll be adding new locations frequently to our line-up of travel destinations. We've already added 20 new cities, including Key West, Savannah and Naples. Now you'll have more travel choices and more regional travel freedom than ever before. You tell us where you want to go and when you want to fly and we still get you home by the end of the day. All you need to do is begin or end your flight at one of our DayPort locations.

When the Time is Right

You've heard the phrase that "timing is everything." There's a great deal of truth in that statement. As a company, we pride ourselves on being nimble and responsive. We believe that the time is right to expand our existing per-seat, on-demand service network. Here's why:

Member Feedback

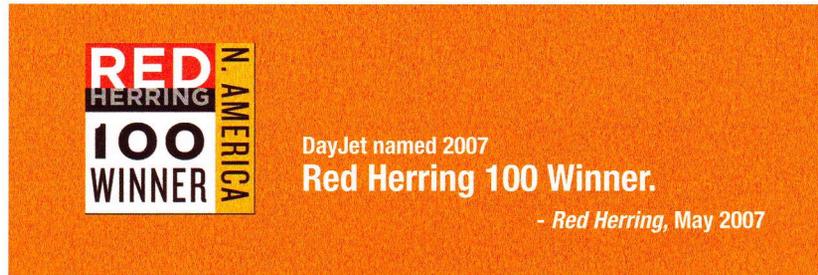
We promised that we'd listen to member feedback and let it influence our thinking. We took notice of what was happening around us and we kept track of your requests. You told us that you value per-seat, on-demand service and we heard you, loud and clear, when you let us know that you wanted more per-seat, on-demand locations.

Community Support

We're a company that helps to facilitate connections. It's what we do. While members were telling us they wanted to fly to more cities, local communities throughout the Southeast were expressing their support and interest in DayJet's per-seat, on-demand service. It didn't take long for us to realize that we could bring the two together; members reaching new business opportunities and communities developing essential new connections.

Additional Aircraft

We launched our per-seat, on-demand service with 12 aircraft but we've already grown. New Eclipse 500 jets have been arriving at a steady pace



and our fleet of aircraft has expanded to 20 planes. With the expansion of our fleet, we are poised to fly you to more of the locations where you need to go.

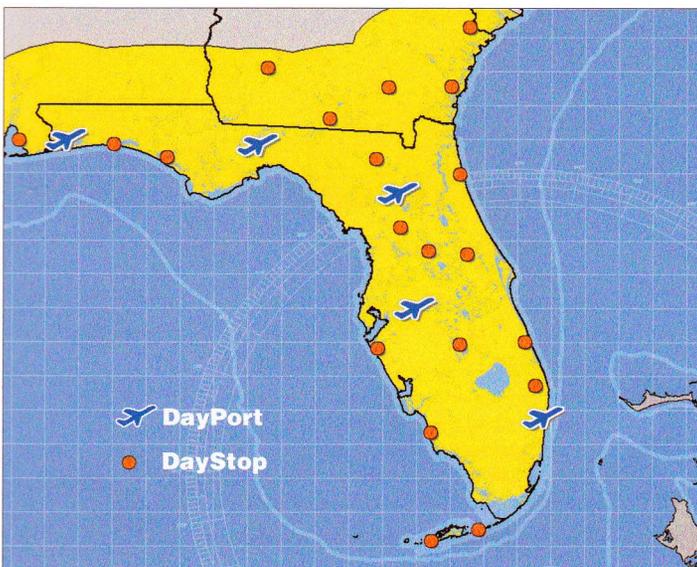
Flexible Flier

Taking your business to where it needs to go is your job. Getting you there is ours. We know that sometimes you need to travel between our network of existing DayPorts and sometimes you don't. With our newly-added "per-seat" destinations, you now have the flexibility to travel to the places you choose if your point of origin or destination occurs from a DayPort location.

Our first 20 new travel destinations include DayStop locations in Florida, Georgia and Alabama. But there's more to come. Check our website often to learn about the newest additions to our network of per-seat, on-demand locations. You never know, you might just find the travel destinations of your choice listed sooner than you think.

We invite you to experience the DayJet difference and get back to the business of life. Since your DayJet trip is customized to your unique travel needs, we fly based on your timetable, not ours. We realize that it's your world. DayJet just made it easier for you to get around in it. ●

DayJet's Expanded Network



DayPorts

Boca Raton (BCT)
Gainesville (GNV)

Lakeland (LAL)
Pensacola (PNS)
Tallahassee (TLH)

DayStops

Key West (EYW)
Naples (APF)
Fort Pierce (FPR)
Sarasota (SRQ)
Leesburg (LEE)
St. Augustine (SGJ)
Panama City (PFN)
Fairhope, AL (4R4)
Valdosta, GA (VLD)
Brunswick, GA (BQK)

Marathon (MTH)
North Palm Beach (F45)
Sebring (SEF)
Sanford (SFB)
Ocala (OCF)
Lake City (LCQ)
Destin (DTS)
Albany, GA (ABY)
Waycross, GA (AYS)
Savannah, GA (SAV)

Experiencing the DayJet Difference

You tell us when to fly based on your timeframe, not ours. You pay only for the seat you need and you decide how much your ticket will cost. You check-in at a small community airport; no lines and no airport hassles. You board a brand new jet – *flying directly where you need to go*. Best of all, you'll be back home at the end of the day. **That's the DayJet difference**, representing the newest advance in American business mobility.

DayJet members enjoy an unprecedented air travel experience – one that is flexible, efficient and relaxed. In an era of record-breaking airline delays and overcrowded highways, they zoom to their destinations with such ease that it seems almost unfair to call it "air travel."

Customers Take Control

DayJet's secure online reservation portal, www.DayJet.com, is similar to that of a commercial airline – with one very big exception. DayJet flies on no one else's timetable but yours.

Within DayJet's regional travel network, you dictate:

- **Where to fly** – Select your destination according to your travel needs.
- **When to fly** – Set your travel window (the latest time you can arrive at your destination and the earliest time you can depart).
- **Your budget** – Use our flexible Time-Value Pricing™ tool to obtain real-time quotes based on your travel window. You can set pricing to fit both your timeframe and budget.



DayJet aircraft feature comfortable, roomy and well-appointed interiors.



Just a few of DayJet's growing fleet of Eclipse 500 jets.

Once you purchase your ticket, your fare and itinerary won't change. You're guaranteed to fly during the times you specified and at the price you designated. However, we will attempt to narrow your travel window, to return as much time as possible to you. And we'll always confirm your check-in time by 8:00 p.m. the night before. Every booking on DayJet follows this model. DayJet members can book online or by phone, 24-hours a day, 7-days a week.

You park just a few short steps from the airport terminal. Next you check in, and there are **no long lines** – just walk in and go straight to the counter.

"With DayJet, we can become 40 percent more productive, save clients money, be more efficient with our time, and save ourselves money. But being home in your own bed and having dinner with your family...that's priceless."

-Pete Dunbar, P.A., President
Pennington, Moore, Wilkinson, Bell, & Dunbar P.A.

**Pennington
Moore
Wilkinson
Bell &
Dunbar** P.A.
ATTORNEYS AT LAW
www.penningtonlaw.com

"With DayJet, my employees' time will be better utilized...Instead of only being able to get to two customers per week, DayJet can get them to five, six, seven clients a week and still give them a very reasonable, comfortable lifestyle."

-Gilbert Gonzalez, Owner & President
Mission Critical Solutions



With DayJet's breakthrough per-seat, on-demand service, we put the business back in business travel.

Flying at a Whole New Level

After arriving at your DayPort or DayStop, you park just a few short steps from the airport terminal. Next, you check in where, as a registered member, you've already been pre-screened by the Transportation Security Administration (TSA). That means no long lines – just walk in and go straight to the counter for an easy three-step check-in:

1. Confirm your identity with your driver's license or current passport.
2. Baggage weigh-in.
3. A discreet, personal weigh-in.

After check-in, enjoy living room style comfort while your jet is readied – accessing free WiFi, having a snack, or watching the latest headline news. When your flight is ready, your jet appears right outside. Then it's straight onboard with no more than two other passengers.

DayJet pilots greet and board all passengers prior to flight.



The Eclipse interior is about the size of a minivan, but features luxury auto appointments. Leather seats and ample leg room are punctuated by an intimacy with the cockpit; the pilots serve as hosts and guides.

The Planes

- 1,000+ Eclipse 500 very light jets on order
- 2 pilots, 3 passengers
- 425 mph cruising speed (max)
- 41,000 ft. altitude (max)
- 1,300 nm range (max)

The DayPort

- Growing network of small regional airports
- Bypass crowds and congestion
- Brief wait in living room-style chairs

PER-SEAT »	ON-DEMAND »	DIRECT »	AFFORDABLE »
Pay only for individual seat(s) you need, not the entire plane.	Choose where and when you want to fly based on no one else's schedule but yours.	Fly point-to-point between small and medium-sized regional markets and return home the same day.	Set your trip price according to your travel flexibility. The more flexible you are with your travel time, the lower your fare.

After a brief taxi to the runway (no lines of planes waiting to take off), your aircraft soars into the sky for flight. With a straight-in approach (no circling to wait for a landing slot), the jet lands and taxis to the ramp. Once you've disembarked, you pick up your luggage at the door, proceed to your waiting ground transportation, and you're off to your meeting.

Travel as an Ally

Travel is an important business tool since personal relationships are a critical element of success. But in recent years, business travel has become so inefficient, time-consuming, complex and stressful that its utility has diminished. With DayJet's breakthrough per-seat, on-demand service, we put the business back in business travel.

With DayJet, travel becomes your ally rather than your adversary. It also becomes one of your most useful tools for business productivity. ●

"With DayJet, I can just drive five minutes to the DayPort, board a plane with no more than two other passengers, and be there in an hour or less. It's a big plus to be able to fly right out of Lakeland."

-C. Scott Franklin, President and Co-CEO
Lanier Upshaw



"DayJet is going to allow for greatly simplified business travel. No more flying backwards to go forward."

-Tim Rosson, CEO
Compass Bank



A New Paradigm in Transportation

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controlling their own travel schedule, instead of conforming to those of the airlines. "It was like having a time machine," recalls Ed. One of the biggest benefits was eliminating hotel stays.

After Ed's retirement from Citrix in 2000, the Learjet was transitioned into service as a traditional on-demand charter. "It didn't take long to realize that it was a challenging business," asserts Nancy. "The aircraft were expensive to buy and fly, making the ability to scale traditional air charter beyond a small, elite market unfeasible. We became obsessed with the idea that we could apply new technologies to solve the problem."

A chance event happened next. At a technology conference in 2001, the Iacobuccis ran into a former colleague, Vern Raburn, who was speaking about his new start-up, Eclipse Aviation, and the potential for a new era of "air taxis" via the "Model T" of jets, the Eclipse 500.

After chatting with Raburn, Ed and Nancy had an epiphany: "With a fleet of Eclipse 500 jets we could make on-demand jet travel affordable for more people – all we had to do was figure out how to sell tickets by the seat, instead of the plane." And even though replacing schedules with on-de-

DayJet is closing the gap in regional travel by enabling business professionals to live, learn, play and work wherever they want

mand individual seat sales presented a massive coordination challenge, "that 'aviation' problem was really a math and technology problem," Ed explains, "and it was a problem we could tackle. We could imagine the end product; but getting there meant building a lot of things that didn't exist."

The idea for DayJet was born.

Catalyst for Change

In 2002, Ed and Nancy incorporated their new venture (aka "Jetson Systems"); hand-picked a specialized team that included mathematicians, complexity scientists and systems engineers; placed a five-year order for more than 1,000 Eclipse 500 jets; and started raising the first venture capital out of the \$200 million that later would make DayJet one of the best capitalized, pre-operational air carriers in U.S. history.

Demand for such innovative new regional travel was apparent from the first focus groups in 2003. In front of one-way mirrors, the possibility of a

DayJet and Eclipse named two of
"The 11 Coolest New
Products on the Planet"

– *Business 2.0*, April 2007



DayJet-style carrier struck a nerve with frequent business travelers, as group after group responded with overwhelming enthusiasm. Behind the mirrors, the DayJet team was taken aback. They were witnessing proof of a vast market opportunity.

A catalyst for change was evident so the team pressed on – planning, researching, modeling, programming and testing. By 2005, simulations began on the world's first all-digital, real time operations system, custom-built to run the world's first per-seat, on-demand air service. Two years later, DayJet took delivery of its first dozen Eclipse 500 jets and in September, the company received FAA authorization to use Eclipse jets in its on-demand operations as the world's largest operator of new-generation very light jets.

Launch of DayJet

For the communities served by the nation's thousands of neighborhood airports, the October 2007 launch of DayJet service means an end to geographic and economic isolation. For businesses, it means connecting to new markets in a way that will increase productivity and responsiveness. For business travelers, it means a reliable, affordable alternative to highway travel; the ability to fly, at jet speed, to underserved cities according to their personal timelines.

"What was not possible just a few short years ago now is," says Ed. "Just as telecommuting allows people to live and work from anywhere, DayJet is closing the gap in regional travel by enabling business professionals to live, learn, play and work wherever they want while still having robust and affordable on-demand transportation options." That's perfect travel freedom. That's the new paradigm in transportation. And with DayJet, it's here today. ●

Historical Transportation Milestones

The birth of DayJet is not the first time disruptive changes have impacted transportation and the economic development of communities:

- 1862** Under President Lincoln, the nation set out to build a transcontinental railroad across 3,000 wilderness miles, increasing the average speed of travel and diminishing the isolation of rural America.
- 1935** The Douglas DC-3 airliner is another example of an integrated transportation system made possible by an intersection of new technologies, radically changing the economics of air travel.
- 1959** Air travel improvements were incremental and evolutionary until the Boeing 707 jetliner emerged. The 600-mph aircraft accommodated eight times more passengers than a DC-3.
- 2007** Today, DayJet provides the advantages of high-speed, point-to-point jet travel outside of the "hub and spoke" network, along with individual travel freedom on a per-seat, on-demand basis. ●

How We Attract the Best

The best part of the DayJet flight experience isn't the quiet, comfortable environment, the BMW-designed interior appointments or even the 425 mph cruising speed of the Eclipse 500 jet.



DayJet pilots in front of the hangar in Gainesville.

DayJet customers claim the best part of their flight is the unique opportunity to observe and engage with our pilots at work. Among the most qualified pilots in the nation, they are cited as the most enjoyable part of the DayJet flight experience.

DayJet pilots aren't hidden behind locked doors. Instead, our flight decks are *open*, where passengers can interact with two expert pilots and watch fascinating state-of-the-art avionics and flight controls up-close and personal.

"They're not just pilots," asserts Don Osmundson, vice president of flight operations. "We select our Flight Service Professionals for their qualifications, experience and their people skills. They are the face of DayJet."

A Great Place to Work...

Like our customers, our pilots go home each night. By offering the industry's highest quality of life standards, DayJet has become the career destination of choice, allowing us to select the very best pilots.

Five pilots are available to operate each jet – affording two pilots per flight and two 8-hour flight *shifts* per day – an industry first. FAA standards allow pilots to work up to 14 hours, but DayJet has taken the position that, on average, our pilots will fly significantly less hours. They embody the core principle of work-life balance.

2005 **best of what's new**
POPULAR OF SCIENCE

DayJet wins "Best of What's New"
for first per-seat, on-demand jet service.

- Popular Science, November 2005

Captain Rick Hemphill

Rick comes to DayJet from a career at American Airlines and as an Air Force Lt. Colonel. An FAA check pilot at DayJet, he has 20,000 hours flying transports, air tankers and general aviation aircraft.



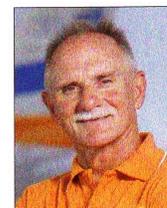
Captain Guenn Stevenson

Prior to joining DayJet, Guenn spent 15 years at US Airways, serving as Captain and First Officer on Embraer 170, Boeing 737 and F-28 aircraft. She is also an MBA graduate as well as a certified flight instructor.



Captain Bob Love

With over 17,000 hours as a professional pilot, Bob has diverse experience flying commercial, charter, and freight service. His career also includes 20+ years as a Captain at US Airways.



They're not just pilots.

They are the face of DayJet.

...Attracts the Best Pilots

DayJet pilots possess a required minimum of 3,000 hours of flight time, including at least 1,000 hours as pilot-in-command and 500 hours as pilot-in-command of a turbojet. The average DayJet pilot has flown 15,000 flight hours – five times the minimum requirement. Our pilots include former airline captains, military aviators, and Fortune 500 corporate pilots.

Our standards for pilot experience and our rigorous training program rival the best of all commercial air carriers. Customer-centric training, Eclipse systems training, crew resource management, and medical emergency procedures training are essential. Flight training is completed in the Eclipse, using the most advanced FAA Industry Training Standards available.

The DayJet approach is great for our pilots and even better for our members. We want our pilots to love their jobs because they play a key role in creating positive customer experiences.

"We put our customers first," concludes Osmundson, "and I'm proud to say that our pilots provide exemplary customer service – like the entire DayJet team." ●

Don Osmundson

Vice President of Flight Operations



Connecting with Communities

For five years, DayJet has been working diligently to build the world's first per-seat, on-demand jet service. While we aspire to expand our service nationwide, the ability to connect and deliver value to communities will be the greatest measure of our success.

Beyond our vision to provide thriving on-demand air transit between secondary markets, we act as an agent of change for our customers and the communities we serve – helping to facilitate the development of new business opportunities, industry partnerships and market expansion. As a good corporate citizen, we seek to make a positive impact upon the communities where we operate through our commitment to driving local business productivity, improving infrastructure, and enhancing quality of life.

The First Five

Our initial DayPort communities – Boca Raton, Gainesville, Lakeland, Pensacola and Tallahassee – were selected following extensive research on markets hindered by a lack of travel options.

Each represents a strong, growing economy and a vibrant business environment underserved by “hub and spoke” airlines. In Pensacola, Tallahassee and Gainesville, our service complements limited scheduled service. In Boca Raton and Lakeland, we offer service where no scheduled airlines fly.

“By connecting secondary markets that never had convenient, fast air transit before,” says Traver Gruen-Kennedy, vice president of strategic operations, “these communities will instantly be more accessible to business professionals who can enhance progress and culture.”

Together, these first five markets will benefit from a \$94 million annual economic boost in our first three years of operation.

Bonding with Communities

We support DayPort communities in four major areas: economic development, environmental stewardship, entrepreneurship, and education.

Economic Development

DayJet strives to be a local economic force. But creating and hiring for high-skill, high-wage jobs is just the start. We're active community partners,

supporting the vision and goals of state, county and local economic development organizations and chambers of commerce.

Environmental Stewardship

Protecting our environment is a top priority at DayJet. We've worked closely with our suppliers to ensure that our aircraft discharge the smallest carbon emissions possible and our engines are the cleanest and quietest *in the world*.

Future environmental initiatives include work on alternative aviation fuel research and the mobilization of an environmental working group within the National Business Aviation Association.

Education

Through a central commitment to in-school programs emphasizing hands-on experiences, DayJet believes it can inspire young people to pursue careers in math, science, and aviation.

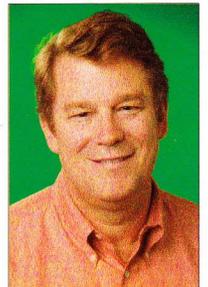
Entrepreneurship

DayJet is dedicated to fostering the entrepreneurial spirit. This includes our sponsorship of entrepreneurial education programs. By focusing on the next generation, we intend to stimulate future economic growth.

New DayPort Communities

As we take delivery of additional aircraft, receive customer feedback on desired travel destinations and obtain support and interest from local communities, we will expand our service network to include new DayPort locations throughout the Southeast.

“We've organized DayJet as a 100% customer-adaptive operation,” says Traver, “our responsiveness includes how we choose communities and when it comes to selecting the communities we serve, our members will always have the final say.”



Traver Gruen-Kennedy
Vice President of Strategic Operations