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CORPORATE
AIRLINES

DEPT. OF TRANSPORTATION
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July 8, 2004

Mr. Bruce Loy
Airport Manager
Cape Girardeau Regional Airport
I-55 and Airport Road
Cape Girardeau, MO 63701

OST-2004-18443-21

Dear Bruce,

As you know, the DOT has requested input from cities receiving EAS funds on how funds may be obtained and applied to meet essential transportation needs.

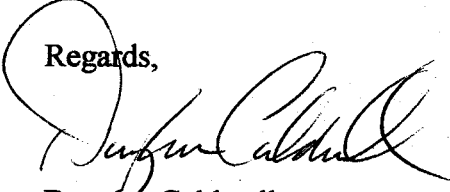
From our viewpoint federal subsidies are imperative to retain scheduled airline service to small and medium sized communities.

With the current costs of providing airline service and the concerns about security, subsidies are more important than ever to retain air service. Passengers flying to and from smaller cities pay the same taxes and fees, as do their counterparts in larger cities. They require and deserve to be connected to the nation's air transportation system if a reasonable demand for air service to the community exists.

The markets that Corporate Airlines serves to the St. Louis hub generally have fairly strong passenger traffic for communities of their size. Unfortunately, with the cost of air service today it is unlikely that we or any company can operate scheduled air service to these communities profitably. Without this essential air service it is very likely that economic development in the communities would suffer. Today air service is the vehicle of business transportation. Lack of access to the nation's air transportation system would have a similar impact as that experienced by communities bypassed by the railroads or interstate highway system in previous decades.

We look forward to working with you to retain vital air service to small and medium sized communities.

Regards,


Douglas Caldwell
President and CEO

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